

DRAFT BUDGET OF

UMHLABUYALINGANA MUNICIPALITY

2017/2018

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

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Part 1 – Annual Budget

1.1 Mayor's Report

Madam Speaker, and

Fellow Councillors

During the month of October 2016 the council had public consultations within the communities of Umhlabuyalingana Municipality. In those consultations the public voiced out their needs and the municipality has taken those needs and concerns into consideration when developing the Integrated Development Programme for this new council.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within Umhlabuyalingana Municipality. Budgeting is primarily about the choice that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

The application of sound financial management principles for the compilation of Umhlabuyalingana financial plan is essential and critical to ensure that the municipality remains financial viable and that sustainable municipal services are provided economically and equitably to all communities.

With the limited financial resources the municipality have where its total revenue is R227,910 million it has reserved R167,320 million for operational expenditure and R60,590 million for capital expenditure.

Conclusion

In closing I would like to take this opportunity to thank the honorable councilors for listening to me, and I would like to thank the Finance Portfolio Committee, Municipal Manager, CFO and his finance team for their hard work in putting together the 2017/2018 MTREF

Thank you

Mayor, Councilor N.S Mthethwa

1.2 Council Resolutions

On the 30th of March 2017 the council of Umhlabuyalingana Local Municipality met in its Council Chambers to consider the draft annual budget of the municipality for the 2017/2018 financial year. The Council approved and adopted the following resolutions:

1. The Council of Umhlabuyalingana Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, approves and adopts:
 - 1.1 The draft annual budget of the municipality for the financial year 2017/2018 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1 Budgeted Financial Performance (revenue and expenditure by standard classification)
 - 1.1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote)
 - 1.1.3 Budgeted financial Performance (revenue by source and expenditure by type)
 - 1.1.4 Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source
 - 1.2 The financial position, cash flow budget, cash backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1 Budgeted Financial Position
 - 1.2.2 Budgeted Cash Flow
 - 1.2.3 Cash backed reserves and accumulated surplus reconciliation
 - 1.2.4 Asset management
 - 1.2.5 Basic service delivery measurement

1.3 2017/2018 MTREF SUMMARY – Executive Summary

The application of sound financial management principles for the compilation of the municipal financial plan is essential and critical to ensure that the municipality remains financially viable and that the municipal services are provided sustainably, economically and equitable to all communities.

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low-to high priority programs so as to maintain sound financial stewardship. A critical review was also undertaken of expenditure on non-core and nice to have items.

National Treasury's MFMA Circular No. 86 were used to guide the compilation of the 2017/2018 MTREF

The main challenges experienced during the compilation of the 2017/2018 MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- The need to re-priorities projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;

- Wage increases for municipal staff that continue to exceed consumer inflation as well as the need to fill critical vacancies; and
- Affordability of capital projects

The following budget principles and guidelines directly informed the compilation of the 2017/2018 MTREF:

- The 2016/2017 Adjustment Budget priorities and targets, as well as the base line allocations contained in that adjustment budget were adopted as the upper limits for the new baseline for the 2017/2018 annual budget;
- Immediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rates increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of the services that are beyond the control of the municipality

The following table is a consolidated overview of the proposed 2017/2018 Medium Term Revenue and Expenditure Framework.

Table 1 Consolidated Overview of the 2017/2018 MTREF

Description	Current Year 2016/2017	2017/2018 Medium Term Revenue & Expenditure Framework		
	Adjustment Budget	Budget Year 2017/2018	Budget Year 2018/2019	Budget Year 2019/2020
Total Operating Revenue	161 288 197	167 428 667	174 691 546	183 915 604
Total Operating Expenditure	210 999 077	167 319 786	177 029 546	208 589 723
Surplus / (Deficit) for the year	(49 710 880)	108 881	(2 338 000)	(24 674 119)
Total Capital Expenditure	78 587 594	60 589 881	55 032 000	34 689 881

The total operating revenue has increased by R6,1 million or 3,8% in the 2017/18 financial year when compared to the 2016/2017 adjustment budget. Although for the two outer years the total revenue will increase by 4,3% and 5,3% respectively

Total operating expenditure for 2017/2018 financial year has been appropriated at R167,3 million and translates into a budgeted surplus of R108 881 thousands. When compared to the adjustment budget the operating expenditure has decreased by 20,7% when compared to the 2016/2017 Adjusted Budget, and it has slightly increased by 5,8% and 17.8% for each of the respective outer year of the MTREF.

The capital budget of R60,5 million is 22.9% less when compared to the 2016/2017 Adjustment Budget. The reduction is due to the affordability constraints in the light of current economic circumstances. The capital program will continue to decrease in the respective two outer years due to affordability constraints.

For Umhlabuyalingana Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding, hence difficult choices have to be made in relation to balancing expenditure against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Efficient revenue management which aims to ensure 90 per cent annual collection rate for property rates and other key service charges
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004
- Increase ability to extend new services and recover costs
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality

The following table is a summary of the 2017/2018 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

KZN271 Umhlabuyalingana - Table A4 Budgeted Financial Performance (revenue and expenditure)

KZN271 Umhlabuyalingana - Table A4 Budgeted Financial Performance (Revenue and Expenditure)											
Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source											
Property rates	2	14,523	29,544	30,184	21,434	19,517	19,517	19,517	19,517	20,668	21,867
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	80	202	1,922	202	202	202	202	213	226
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		37	80	252	243	271	271	271	271	287	304
Interest earned - external investments		4,197	4,974	6,959	5,942	4,092	4,092	4,092	3,860	4,088	4,309
Interest earned - outstanding debtors		-	1,210	20,790	212	541	541	541	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		476	968	2,041	1,915	1,915	1,915	1,915	1,915	2,028	2,146
Licences and permits		3,878	3,819	5,834	4,083	4,083	4,083	4,083	4,083	4,323	4,574
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		104,048	130,234	147,009	128,152	128,652	128,652	128,652	135,668	141,057	148,354
Other revenue	2	742	742	628	280	2,016	2,016	2,016	1,913	2,026	2,136
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		127,901	171,650	213,899	164,183	161,288	161,288	161,288	167,429	174,692	183,916

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement as inclusion of these revenue sources would distort the calculation of the operating surplus/(deficit).

Revenue generated from rates, licences and interest on investments forms a significant percentage of the revenue basket for the municipality. The above table exclude revenue forgone.

Property rates is the second largest revenue source totaling to 11.6% or R19,5 million rand and increases to R20,6 million and R21,8 million by 2019/2020 financial years. The third largest revenue source is revenue generated from Licences and permits and interest received from short term investments.

Operating grants and transfers totaling to R135,6 million rands and steadily increases to R148,3 by 2019/2020 financial year

Table 3 Operating Transfers and Grant Receipts

KZN271 Umhlabuyalingana - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		71,474	90,862	124,232	4,102	4,102	4,102	133,011	139,315	146,530
Local Government Equitable Share		68,319	87,707	121,138				126,946	137,415	144,630
Finance Management		1,800	1,800	1,800	1,825	1,825	1,825	1,900	1,900	1,900
EPWP Incentive		1,355	1,355	1,294	2,277	2,277	2,277	4,165	-	-
Other transfers/grants [insert description]										
Provincial Government:		1,572	1,618	1,747	1,592	1,592	1,592	1,657	1,742	1,824
Provincialisation of Libraries		1,572	1,618	1,747	1,592	1,592	1,592	1,657	1,742	1,824
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: Scheme Support Grant		-	-	-	-	-	-	1,000	-	-
Total Operating Transfers and Grants	5	73,046	92,480	125,979	5,694	5,694	5,694	135,668	141,057	148,354

Tariff setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, inputs costs and the affordability of the services were taken into account to ensure the financial sustainability of the municipality

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible . excessive increases in tariffs is likely to be counterproductive, resulting to higher levels of non-payment.

The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied. The municipality has undertaken the tariff setting process relating to service charges as follows:

1.3.1 Property Rates

Property rates cover the cost of the provision general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budget process. The Property Rates Policy was reviewed and adopted by the council together with the 2016/2017 MTREF. There are no changes to the Property Rates tariffs in the 2017/2018 financial year meaning that the tariffs were not increased,

1.3.2 Waste Removal

Currently solid waste removal is operating at a deficit. The municipality is currently collecting solid waste for businesses properties and two hospitals and is in a plan of extending its services to the residential properties very soon. The tariffs of solid waste removal has not increased as well.

1.3.3 Free basic services

The municipality is providing Free Basic Electricity to 6350 indigents. Electricity is distributed by ESKOM and households receive 50kw free as a subsidy from the municipality.

1.4 Operating Expenditure Framework

The expenditure framework for the 2017/2018 budget and MTREF is informed by the following:

- The asset renewal strategy and repairs and maintenance plan
- Balanced budget constraints and cash back reserves will fund the deficit in the case where operating expenditure exceeds the operating revenue.
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan

The following table is a high level summary of the 2017/2018 budget and MTREF (classified per main type of operating expenditure)

Table 4 Summary of operating expenditure by standard classification item

Expenditure By Type											
Employee related costs	2	24,605	32,163	37,692	47,269	50,140	50,140	50,140	55,974	59,880	65,269
Remuneration of councillors		6,183	8,076	9,502	10,322	10,575	10,575	10,575	12,140	12,140	12,844
Debt impairment	3	2,626	14,223	4	22,330	25,880	25,880	25,880	15,144	16,007	35,640
Depreciation & asset impairment	2	8,032	27,222	71,760	14,175	18,176	18,176	18,176	18,950	21,098	23,279
Finance charges		791	844	20	271	71	71	71	250	264	279
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	4,538	8,008	26,345	23,782	3,286	3,286	3,286	1,930	2,044	1,905
Contracted services		6,132	5,565	28,590	5,658	22,658	22,658	22,658	6,992	7,396	7,815
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	33,868	34,362	83,433	87,744	80,213	80,213	80,215	55,940	58,201	61,559
Loss on disposal of PPE		179	1,034	-	-	-	-	-	-	-	-
Total Expenditure		86,953	131,497	257,345	211,550	210,998	210,998	210,999	167,320	177,030	208,590

The budgeted allocation for employee related costs for the 2017/2018 financial year totals to R55,9 million, which equals 33,4 % of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 7 percent for the 2017/2018 financial year. The same percentage has been applied to the two outer years of the MTREF. Corporate Services has compiled a report on the prioritization of critical and strategically important vacancies. Overtime has been provided for emergency services and other critical functions.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998. The most recent proclamation in this regard has been taken into account in compiling the municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 65% and the Debt Collection Policy of the municipality. For the 2017/2018 financial year this amount equals to R15,1 million and it escalates to R35,6 million by 2019/2020 financial year. While the expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Budget appropriation in this regard total R18,9 million for the 2017/2018 financial year and equates to 11,3% of the total operating expenditure.

Finance charges consist primarily the repayment of interest on finance lease agreements the municipality anticipate to incur in the 2017/2018 financial year once the lease agreements have been signed with relevant service providers. Finance charges make up 0,1% which is R250 thousands of the total operating expenditure and increases to R279 thousands by 2019/2020 financial year.

Other materials comprises of amongst others the purchase of fuel, diesel, material for maintenance of municipal properties and cleaning materials. In line with the municipality's repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability municipality's infrastructure. For 2017/2018 financial the appropriation of this group of expenditure is R1,9 million equals to 1,1 % and will be R1,9 by 2019/2020

Contracted services expenditure is R6,9 million equaling to 4,1 % of the total operating expenditure in the 2017/2018 financial year. This group of expenditure will increase to R7,8 million by 2019/2020 financial year.

Other expenditure comprises of various line items relating to the daily operations of the municipality.

1.4.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the municipality's infrastructure the 2017/2018 and MTREF provide for growth in the area of asset maintenance as informed by the asset renewal strategy and repairs and maintenance plan of the municipality. In term of MBRR operational repairs and maintenance is not considered as a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchase of materials and contracted services considering these costs drivers the following table is consolidation of all the expenditures associated with repairs and maintenance:

Table 5 Operational repairs and maintenance

Repairs and Maintenance	8									
Employee related costs		15	26	29		31	31	31	3	47
Other materials		4,538	8,008	3,741		3,286	3,286	3,286	1,930	2,162
Contracted Services		54,512	39,622	22,604	23,782	18,100	18,100	18,100	2,500	2,648
Other Expenditure			-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	9	59,066	47,656	26,374	23,782	21,416	21,416	21,416	4,433	5,010

During the compilation of the 2017/2018 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the municipality's infrastructure but the budget allocation has drastically decreased when compared to the 2015/2016 allocation of R26,3 million to 2016/2017 allocation of R21,4 million and again in the 2017/2018 it decreased to R4,4 million due to cash flow challenges faced by the municipality. It will slowly increase in the next two years and it will be R5,0 million by 2019/2020

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

Table 6 Repairs and maintenance per asset class

KZN271 Umhlabuyalingana - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description		Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class											
Infrastructure			54,512	45,531	22,604	18,000	18,100	18,100	2,500	2,648	2,801
Roads Infrastructure			54,512	45,531	22,604	18,000	18,100	18,100	2,500	2,648	2,801
Roads			54,512	45,531	22,604	18,000	18,100	18,100	2,500	2,648	2,801
Road Structures											
Road Furniture											
Capital Spares											
Community Assets											
			-	-	-	807	500	500	230	244	258
Community Facilities			-	-	-	807	500	500	230	244	258
Halls						700	500	500	230	244	258
Centres											
Crèches											
Clinics/Care Centres											
Fire/Ambulance Stations											
Testing Stations											
Museums											
Galleries											
Theatres											
Libraries						107	-	-			
Other assets											
			2,538	824	2,100	3,440	1,725	503	150	159	168
Operational Buildings			2,538	824	2,100	3,440	1,725	503	150	159	168
Municipal Offices			2,538	824	2,100	3,440	1,725	503	150	159	168
Pay/Enquiry Points											
Building Plan Offices											
Computer Equipment											
			-	9	-	30	-	-	-	-	-
Computer Equipment				9	-	30	-	-			
Furniture and Office Equipment											
			-	-	20	50	5	5	3	3	47
Furniture and Office Equipment			-	-	20	50	5	5	3	3	47
Machinery and Equipment											
			-	-	-	-	-	-	450	477	504
Machinery and Equipment						-	-	-	450	477	504
Transport Assets											
			2,000	1,292	1,621	1,456	1,056	1,056	1,100	1,165	1,232
Transport Assets			2,000	1,292	1,621	1,456	1,056	1,056	1,100	1,165	1,232
Libraries											
Libraries			-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals											
			-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals											
Total Repairs and Maintenance Expenditure		1	59,050	47,656	26,345	23,782	21,386	20,164	4,433	4,695	5,010

For the 2017/2018 financial year the budget allocation is 1,4% of the PPE budget and 2,1% of the total operating expenditure

1.4.2 Free Basic Services

The municipality is providing Free basic electricity to its communities through ESKOM electricity distribution. The municipal indigent register has 6350 indigents.

1.5 Capital expenditure

The following tables provides a breakdown of budgeted capital expenditure by vote:

Table 7 2017/2018 Medium-term capital budget per vote

Vote Description R thousand	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure - Municipal Vote											
Vote 3 - Budget & Treasury 3.1 - [Name of sub-vote]		3,421 3,421	4,225 4,225	1,002 1,002	1,800 1,800	2,320 2,320	2,320 2,320	2,320 2,320	-	-	-
Vote 4 - Corporate Services 4.1 - [Name of sub-vote]		-	-	40 40	150 150	-	-	-	300 300	-	-
Vote 5 - Community Services 5.1 - [Name of sub-vote]		-	-	157 157	100 100	-	-	-	27,090 27,090	3,000 3,000	27,090 27,090
Vote 6 - Traffic Services 6.1 - [Name of sub-vote]		-	-	-	-	-	-	-	600 600	-	-
Vote 8 - Technical Services 8.1 - [Name of sub-vote]		180,103 180,103	216,864 216,864	72,295 72,295	72,331 72,331	76,268 76,268	76,268 76,268	76,268 76,268	32,600 32,600	52,032 52,032	7,600 7,600
Total Capital Expenditure		183,524	221,089	73,493	74,381	78,588	78,588	78,588	60,590	55,032	34,690

For 2017/2018 financial year an amount of R60,5 million has been appropriated for capital projects including movable assets like vehicles, computer equipment and furniture. When compared with the 2016/2017 budget appropriations it has decreased and the decrease will continue to affect the two outer years where by in 2018/2019 and 2019/2020 budget allocation is R55,0 million and R34,6 million, this decrease is due to the cash flow challenges the municipality is faced with. The budget allocation for 2017/2018 financial year is for new assets not asset renewal or upgrade.

1.5.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital program have been included in table SA35.

1.6 Annual Budget Tables

The following eighteen pages represent the ten main budget tables as required in term of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2017/2018 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes on the facing page.

Table 8 MBRR Table A1 – Budget Summary

KZN271 Umhlabuyalingana - Table A1 Budget Summary

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Financial Performance										
Property rates	14,523	29,544	30,184	21,434	19,517	19,517	19,517	19,517	20,668	21,867
Service charges	–	80	202	1,922	202	202	202	202	213	226
Investment revenue	4,197	4,974	6,959	5,942	4,092	4,092	4,092	3,860	4,088	4,309
Transfers recognised - operational	104,048	130,234	147,009	128,152	128,652	128,652	128,652	135,668	141,057	148,354
Other own revenue	5,133	6,818	29,546	6,732	8,826	8,826	8,826	8,182	8,665	9,160
Total Revenue (excluding capital transfers and contributions)	127,901	171,650	213,899	164,183	161,288	161,288	161,288	167,429	174,692	183,916
Employee costs	24,605	32,163	37,692	47,269	50,140	50,140	50,140	55,974	59,880	65,269
Remuneration of councillors	6,183	8,076	9,502	10,322	10,575	10,575	10,575	12,140	12,140	12,844
Depreciation & asset impairment	8,032	27,222	71,760	14,175	18,176	18,176	18,176	18,950	21,098	23,279
Finance charges	791	844	20	271	71	71	71	250	264	279
Materials and bulk purchases	4,538	8,008	26,345	23,782	3,286	3,286	3,286	1,930	2,044	1,905
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	42,804	55,184	112,027	115,732	128,751	128,751	128,752	78,076	81,604	105,014
Total Expenditure	86,953	131,497	257,345	211,550	210,998	210,998	210,999	167,320	177,030	208,590
Surplus/(Deficit)	40,948	40,152	(43,446)	(47,367)	(49,710)	(49,710)	(49,711)	109	(2,338)	(24,674)
Transfers and subsidies - capital (monetary allocated)	–	–	–	53,325	59,875	59,875	59,875	60,481	57,370	59,364
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	40,948	40,152	(43,446)	5,958	10,165	10,165	10,164	60,590	55,032	34,690
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	40,948	40,152	(43,446)	5,958	10,165	10,165	10,164	60,590	55,032	34,690
Capital expenditure & funds sources										
Capital expenditure	30,750	37,168	73,493	74,381	78,588	78,588	78,588	60,590	55,032	34,690
Transfers recognised - capital	30,750	37,168	58,925	53,325	59,875	59,875	59,875	60,481	57,370	59,364
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	14,568	21,056	18,713	18,713	18,713	109	–	–
Total sources of capital funds	30,750	37,168	73,493	74,381	78,588	78,588	78,588	60,590	57,370	59,364
Financial position										
Total current assets	84,425	86,290	74,092	97,485	42,187	42,187	42,187	95,298	145,797	219,258
Total non current assets	183,986	201,267	253,211	469,396	313,673	313,673	313,673	355,355	379,408	405,262
Total current liabilities	12,019	9,704	19,289	22,182	2,080	2,080	2,080	2,225	2,381	2,548
Total non current liabilities	9,548	10,757	11,421	49,370	2,726	2,726	2,726	17,381	18,573	19,449
Community wealth/Equity	246,845	267,096	296,593	495,330	351,054	351,054	351,054	431,046	504,252	602,523
Cash flows										
Net cash from (used) operating	54,149	57,665	58,390	113,206	56,404	56,404	56,404	108,223	105,697	108,023
Net cash from (used) investing	(37,474)	(50,976)	(73,815)	(74,380)	(78,588)	(78,588)	(78,588)	(60,590)	(55,932)	(34,690)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	76,431	77,738	62,229	101,055	40,005	40,005	40,005	87,638	137,404	210,736
Cash backing/surplus reconciliation										
Cash and investments available	77,641	77,638	62,123	86,751	40,005	40,005	40,005	87,638	137,404	210,736
Application of cash and investments	6,172	5,531	16,236	15,219	(60)	(60)	(60)	(5,435)	(6,012)	(5,974)
Balance - surplus (shortfall)	71,470	72,107	45,887	71,532	40,065	40,065	40,065	93,073	143,416	216,710
Asset management										
Asset register summary (WDV)	134,012	159,550	224,431	74,380	78,588	78,588	60,590	60,590	55,032	34,690
Depreciation	44,374	55,570	71,760	14,176	18,176	18,176	18,950	18,950	21,098	23,279
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	59,050	47,656	26,345	23,782	21,386	20,164	4,433	4,433	4,695	5,010
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	–	1,739	4,268	2,121	4,385	4,385	4,385	4,385	4,644	4,913
Households below minimum service level										
Water:	14	14	–	–	–	–	–	–	–	–
Sanitation/sew erage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

Explanatory notes to MBRR Table A1 – Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives
2. The table provides an overview of the amounts approved by council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. This table also provides the key information of the Financial Performance, Financial Position and Cash Flow Budgets along with the Capital Budget

Table 9 MBRR Table A2 – Budgeted Financial Performance (revenue and expenditure by standard classification)

KZN271 Umhlabuyalingana - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		90,468	126,931	149,384	152,352	151,205	151,205	154,382	166,358	175,118
Executive and council		-	-	-	-	500	500	-	-	-
Finance and administration		90,468	126,931	149,384	152,352	150,705	150,705	154,382	166,358	175,118
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1,572	1,618	1,768	1,634	1,607	1,607	1,672	1,758	1,841
Community and social services		1,572	1,618	1,768	1,634	1,607	1,607	1,672	1,758	1,841
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		35,861	43,022	62,544	61,600	68,150	68,150	71,654	63,732	66,095
Planning and development		31,507	38,235	56,669	55,602	62,152	62,152	65,656	57,381	59,375
Road transport		4,354	4,787	5,875	5,998	5,998	5,998	5,998	6,351	6,720
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	80	204	1,922	202	202	202	213	226
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	80	204	1,922	202	202	202	213	226
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	127,901	171,650	213,899	217,508	221,163	221,163	227,910	232,062	243,280
Expenditure - Functional										
<i>Governance and administration</i>		52,172	84,962	104,439	124,928	136,738	136,738	95,504	100,476	126,586
Executive and council		20,184	27,983	53,468	55,716	61,638	61,638	30,687	30,722	32,697
Finance and administration		31,987	56,979	50,971	69,212	75,099	75,099	64,817	69,755	93,889
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		17,266	21,563	25,641	26,157	26,453	26,453	27,458	29,199	31,225
Community and social services		17,266	21,563	25,641	26,157	26,453	26,453	27,458	29,199	31,225
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		17,515	24,972	54,320	60,465	47,807	47,807	44,358	47,354	50,779
Planning and development		13,474	18,708	46,317	49,642	36,757	36,757	32,323	34,499	36,935
Road transport		4,041	6,264	8,003	10,823	11,050	11,050	12,034	12,855	13,844
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	86,953	131,497	184,400	211,550	210,998	210,998	167,320	177,030	208,590
Surplus/(Deficit) for the year		40,948	40,152	29,500	5,958	10,165	10,165	60,590	55,032	34,690

Explanatory notes to MBRR A2 – Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification.
2. Total revenue in this table includes Transfers recognized for- Capital therefore it will not balance to operating revenue shown in Table A4

Table 10 MBRR Table A3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

KZN271 Umhlabuyalingana - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Revenue by Vote	1									
Vote 1 - Executive Council		-	-	-	-	-	-	-	-	-
Vote 2 - Management		-	-	-	-	500	500	-	-	-
Vote 3 - Budget & Treasury		90,468	126,931	149,384	152,352	150,652	150,652	154,330	166,302	175,059
Vote 4 - Corporate Services		-	-	-	-	53	53	53	56	59
Vote 5 - Community Services		-	80	204	1,922	202	202	202	213	226
Vote 6 - Traffic Services		4,354	4,787	5,875	5,998	5,998	5,998	5,998	6,351	6,720
Vote 7 - Library Services		1,572	1,618	1,768	1,634	1,607	1,607	1,672	1,758	1,841
Vote 8 - Technical Services		30,750	37,168	55,375	53,325	59,875	59,875	61,481	57,370	59,364
Vote 9 - Local Economic Development		757	1,067	1,294	2,277	2,277	2,277	4,175	11	11
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	127,901	171,650	213,899	217,508	221,163	221,163	227,910	232,062	243,280
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive Council		10,431	11,927	27,076	21,682	23,205	23,205	14,410	13,398	14,172
Vote 2 - Management		96,300	16,056	76,967	34,035	38,434	38,434	16,277	17,324	18,524
Vote 3 - Budget & Treasury		25,082	47,446	53,919	51,958	58,516	58,516	48,294	52,215	75,156
Vote 4 - Corporate Services		6,905	9,534	9,773	17,253	16,583	16,583	16,523	17,540	18,733
Vote 5 - Community Services		15,933	20,097	31,396	24,017	24,636	24,636	25,459	27,066	28,920
Vote 6 - Traffic Services		4,219	6,264	9,748	10,823	11,050	11,050	12,034	12,855	13,844
Vote 7 - Library Services		1,333	1,467	2,150	2,140	1,817	1,817	1,998	2,133	2,305
Vote 8 - Technical Services		9,606	13,020	40,687	43,136	30,840	30,840	25,972	27,711	29,557
Vote 9 - Local Economic Development		3,868	5,688	5,631	6,506	5,917	5,917	6,351	6,788	7,378
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	173,678	131,497	257,345	211,550	210,998	210,998	167,320	177,030	208,590
Surplus/(Deficit) for the year	2	(45,777)	40,152	(43,446)	5,958	10,165	10,165	60,590	55,032	34,690

Explanatory notes to MBRR Table A3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitate the view of the budgeted operating performance in relating to the organizational structure of the municipality

Table 11 MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure)

KZN271 Umhlabuyalingana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
Revenue By Source											
Property rates	2	14,523	29,544	30,184	21,434	19,517	19,517	19,517	19,517	20,668	21,867
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	80	202	1,922	202	202	202	202	213	226
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		37	80	252	243	271	271	271	271	287	304
Interest earned - external investments		4,197	4,974	6,959	5,942	4,092	4,092	4,092	3,860	4,088	4,309
Interest earned - outstanding debtors		-	1,210	20,790	212	541	541	541	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		476	968	2,041	1,915	1,915	1,915	1,915	1,915	2,028	2,146
Licences and permits		3,878	3,819	5,834	4,083	4,083	4,083	4,083	4,083	4,323	4,574
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		104,048	130,234	147,009	128,152	128,652	128,652	128,652	135,668	141,057	148,354
Other revenue	2	742	742	628	280	2,016	2,016	2,016	1,913	2,026	2,136
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		127,901	171,650	213,899	164,183	161,288	161,288	161,288	167,429	174,692	183,916
Expenditure By Type											
Employee related costs	2	24,605	32,163	37,692	47,269	50,140	50,140	50,140	55,974	59,880	65,269
Remuneration of councillors		6,183	8,076	9,502	10,322	10,575	10,575	10,575	12,140	12,140	12,844
Debt impairment	3	2,626	14,223	4	22,330	25,880	25,880	25,880	15,144	16,007	35,640
Depreciation & asset impairment	2	8,032	27,222	71,760	14,175	18,176	18,176	18,176	18,950	21,098	23,279
Finance charges		791	844	20	271	71	71	71	250	264	279
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	4,538	8,008	26,345	23,782	3,286	3,286	3,286	1,930	2,044	1,905
Contracted services		6,132	5,565	28,590	5,658	22,658	22,658	22,658	6,992	7,396	7,815
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	33,868	34,362	83,433	87,744	80,213	80,213	80,215	55,940	58,201	61,559
Loss on disposal of PPE		179	1,034	-	-	-	-	-	-	-	-
Total Expenditure		86,953	131,497	257,345	211,550	210,998	210,998	210,999	167,320	177,030	208,590
Surplus/(Deficit)		40,948	40,152	(43,446)	(47,367)	(49,710)	(49,710)	(49,711)	109	(2,338)	(24,674)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	53,325	59,875	59,875	59,875	60,481	57,370	59,364
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		40,948	40,152	(43,446)	5,958	10,165	10,165	10,164	60,590	55,032	34,690
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		40,948	40,152	(43,446)	5,958	10,165	10,165	10,164	60,590	55,032	34,690
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		40,948	40,152	(43,446)	5,958	10,165	10,165	10,164	60,590	55,032	34,690
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		40,948	40,152	(43,446)	5,958	10,165	10,165	10,164	60,590	55,032	34,690

Explanatory notes to the Table A4 – Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R167,4 million in 2017/2018 financial year and it escalates to R174,6 million and R183,9 million in terms of percentages, it represents a percentage increase of 4,3% and 5,2% in 2018/2019 and 2019/2020 financial years.
2. Revenue to be generated from property rates is R19,517 in 2017/2018 , it represent 11,6 % of the total operating revenue for 2017/2018 and it will increase to R20,6 million and R21 867 in 2018/2019 and 2019/2020 financial years. This revenue increased by 5,8% for both 2018/2019

and 2019/2020 financial years. Tariffs for property rates remained the same as the previous financial year tariffs as per the tariffs policy.

3. Services charges revenue relates to refuse removal, it will be R202 thousands and it will increase to R213 thousand and R226 thousand in 2018/2019 and 2019/2020 financial year. Refuse removal is still collected from business properties and two hospitals which is Manguzi Hospital and Mseleni Hospital. The municipality is still in negotiations with the communities residing around the town area so that it will start rendering the service of refuse collection to them for a certain fee they will both agree with.
4. Rental of facilities revenue will be R271 thousands for 2017/2018 and it will increase to R287 thousand and R304 thousand in 2018/2019 and 2019/2020 financial years. Rental income relates to market stall rented out for a fixed amount of R250 a month per cubicle as well as office space rented out to Independent Electoral Commission.
5. Interest earned from investments revenue will be R3,880 million in 2017/2018, it will increase to R4,088 in 2018/2019 and R4,309 million in 2019/2020 financial years. All the municipal investments accounts are short term investments
6. Traffic fines revenue is R1,915 million in 2017/2018, it will increase to R2,028 million in 2018/2019 and R2,146 million in 2019/2020 financial year.
7. Licenses and permits revenue is R4,083 million in 2017/2018 financial year and it will increase to R4,323 million in 2018/2019 and to R4,574 million in 2019/2020 financial year.
8. Transfers recognized – operational includes Local Government Equitable Share and other operational grants like Expanded Public Works Programme, Financial Management Grants. In 2017/2018 it is R135,668 million and it will increase to R141,057 million and R148,354 million in the two outer financial years.
9. Other revenue includes tender monies, business licensing, library income and interest from current accounts, it is R1,913 million in 2017/2018 and it will increase to R2,026 in 2018/2019 and R2,136 in 2019/2020 financial years.

Table 12 MBRR Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source

KZN271 Umhlabuyalingana - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 1 - Executive Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Management		-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Traffic Services		-	-	-	-	-	-	-	-	-	-
Vote 7 - Library Services		-	-	-	-	-	-	-	-	-	-
Vote 8 - Technical Services		-	-	-	-	-	-	-	-	-	-
Vote 9 - Local Economic Development		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure - to be appropriated	2										
Vote 1 - Executive Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Management		-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury		3,421	4,225	1,002	1,800	2,320	2,320	2,320	-	-	-
Vote 4 - Corporate Services		-	-	40	150	-	-	-	300	-	-
Vote 5 - Community Services		-	-	157	100	-	-	-	27,090	3,000	27,090
Vote 6 - Traffic Services		-	-	-	-	-	-	-	600	-	-
Vote 7 - Library Services		-	-	-	-	-	-	-	-	-	-
Vote 8 - Technical Services		180,103	216,864	72,295	72,331	76,268	76,268	76,268	32,600	52,032	7,600
Vote 9 - Local Economic Development		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		183,524	221,089	73,493	74,381	78,588	78,588	78,588	60,590	55,032	34,690
Total Capital Expenditure - Vote		183,524	221,089	73,493	74,381	78,588	78,588	78,588	60,590	55,032	34,690
Capital Expenditure - Functional											
Governance and administration		-	-	1,042	1,950	2,320	2,320	2,320	300	-	-
Executive and council		-	-	1,042	1,950	2,320	2,320	2,320	300	-	-
Finance and administration		-	-	1,042	1,950	2,320	2,320	2,320	300	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	100	-	-	-	27,090	3,000	27,090
Community and social services		-	-	-	100	-	-	-	23,501	3,000	23,501
Sport and recreation		-	-	-	-	-	-	-	3,589	-	3,589
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		30,750	37,168	72,295	72,331	76,268	76,268	76,268	8,200	36,032	7,600
Planning and development		30,750	37,168	72,295	72,331	64,428	64,428	64,428	-	-	-
Road transport		-	-	-	-	11,840	11,840	11,840	8,200	36,032	7,600
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	157	-	-	-	-	25,000	16,000	-
Energy sources		-	-	-	-	-	-	-	25,000	16,000	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	157	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	30,750	37,168	73,493	74,381	78,588	78,588	78,588	60,590	55,032	34,690
Funded by:											
National Government		30,750	35,165	48,925	53,325	53,325	53,325	53,325	60,481	57,370	59,364
Provincial Government		-	2,002	10,000	-	3,000	3,000	3,000	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	3,550	3,550	3,550	-	-	-
Transfers recognised - capital	4	30,750	37,168	58,925	53,325	59,875	59,875	59,875	60,481	57,370	59,364
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	14,568	21,056	18,713	18,713	18,713	109	-	-
Total Capital Funding	7	30,750	37,168	73,493	74,381	78,588	78,588	78,588	60,590	57,370	59,364

Explanatory notes to Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source

1. Capital programme expenditure has been appropriated for a single year appropriation, it will be R60,590 million in 2017/2018 financial year and it will decrease to R55,032 million in 2018/2019 and R34,690 million in 2019/2020.
2. Funding source for the capital programme is National government grants which is Municipal Infrastructure Grant and Integrated National Electrification Grant
3. Projects funded were prioritized by council to be implemented in the 2017/2018 financial year and they appear in the IDP. For the two outer years projects the prioritization will be reviewed in the next financial year to check its relevance before.

Table 13 MBRR Table A6 – Budgeted Financial Position

KZN271 Umhlabuyalingana - Table A6 Budgeted Financial Position

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
ASSETS											
Current assets											
Cash		8,348	8,311	8,336	30,635	5,462	5,462	5,462	5,844	80,034	151,372
Call investment deposits	1	69,294	69,327	53,786	56,116	34,543	34,543	34,543	81,794	57,370	59,364
Consumer debtors	1	6,784	6,091	7,039	10,734	2,182	2,182	2,182	7,274	7,980	8,080
Other debtors		–	2,561	4,931					386	413	442
Current portion of long-term receivables											
Inventory	2										
Total current assets		84,425	86,290	74,092	97,485	42,187	42,187	42,187	95,298	145,797	219,258
Non current assets											
Long-term receivables											
Investments											
Investment property											
Investment in Associate											
Property, plant and equipment	3	183,524	201,267	252,658	469,396	313,070	313,070	313,070	354,710	378,719	404,524
Agricultural											
Biological											
Intangible		463		553		602	602	602	645	690	738
Other non-current assets											
Total non current assets		183,986	201,267	253,211	469,396	313,673	313,673	313,673	355,355	379,408	405,262
TOTAL ASSETS		268,411	287,558	327,303	566,881	355,859	355,859	355,859	450,653	525,205	624,520
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	–	–	–	–	–	–	–	–	–	–
Consumer deposits											
Trade and other payables	4	12,019	9,704	19,289	22,182	2,080	2,080	2,080	2,225	2,381	2,548
Provisions											
Total current liabilities		12,019	9,704	19,289	22,182	2,080	2,080	2,080	2,225	2,381	2,548
Non current liabilities											
Borrowing		–	–	–	–	–	–	–	–	–	–
Provisions		9,548	10,757	11,421	49,370	2,726	2,726	2,726	17,381	18,573	19,449
Total non current liabilities		9,548	10,757	11,421	49,370	2,726	2,726	2,726	17,381	18,573	19,449
TOTAL LIABILITIES		21,566	20,461	30,709	71,552	4,805	4,805	4,805	19,606	20,954	21,997
NET ASSETS	5	246,845	267,096	296,593	495,330	351,054	351,054	351,054	431,046	504,252	602,523
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		246,845	267,096	296,593	495,330	351,054	351,054	351,054	431,046	504,252	602,523
Reserves	4	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	246,845	267,096	296,593	495,330	351,054	351,054	351,054	431,046	504,252	602,523

Explanatory notes to Table A6 – Budgeted Financial Position

- Table A6 is supported by supporting table SA3 which provides a detailed analysis of the following major components:
 - Call investments deposits (shows the municipal monies invested as short term investments in registered banking institutions.
 - Consumer debtors (shows the amount of debtors owing the municipality and could be collected)
 - Provision for debt impairment (incase debtors fail to pay for their municipal accounts, what could be written off as bad debtors)
 - Property plant and equipment (value of the municipal assets) that can be realized as cash
 - Trade and other payable (shows how much the municipality is owing its creditors)
 - Provision for non-current liabilities;
 - Changes in net assets and
 - Reserves.

Table 14 MBRR A7 – Budgeted Cash Flow Statement

KZN271 Umhlabuyalingana - Table A7 Budgeted Cash Flows

Description		Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates			12,746	12,602	10,908	13,932	19,517	19,517	19,517	19,517	20,668	21,867
Service charges			–	–	181	1,249	202	202	202	202	213	226
Other revenue			4,197	4,974	4,198	4,337	8,285	8,285	8,285	8,182	8,665	9,160
Government - operating		1	73,298	93,546	127,009	128,152	128,652	128,652	128,652	135,668	141,057	148,354
Government - capital		1	30,750	37,168	55,277	53,325	59,875	59,875	59,875	60,481	57,370	59,364
Interest			5,133	4,314	6,959	4,000	4,092	4,092	4,092	3,860	4,088	4,309
Dividends										–	–	–
Payments												
Suppliers and employees			(71,596)	(94,095)	(145,316)	(91,531)	(164,147)	(164,147)	(164,147)	(119,437)	(126,100)	(134,978)
Finance charges			(379)	(844)	(825)	(257)	(71)	(71)	(71)	(250)	(264)	(279)
Transfers and Grants		1								–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES			54,149	57,665	58,390	113,206	56,404	56,404	56,404	108,223	105,697	108,023
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE			(34,206)	(50,976)	–	–	–			–	–	–
Decrease (increase) in non-current debtors			(3,268)	–	–	–	–			–	–	–
Decrease (increase) other non-current receivables			–	–	–	–	–			–	–	–
Decrease (increase) in non-current investments			–	–	–	–	–			–	–	–
Payments												
Capital assets					(73,815)	(74,380)	(78,588)	(78,588)	(78,588)	(60,590)	(55,932)	(34,690)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(37,474)	(50,976)	(73,815)	(74,380)	(78,588)	(78,588)	(78,588)	(60,590)	(55,932)	(34,690)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans			–	–	–	–	–			–	–	–
Borrowing long term/refinancing			–	–	–	–	–			–	–	–
Increase (decrease) in consumer deposits			–	–	–	–	–			–	–	–
Payments												
Repayment of borrowing			–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES			–	–	–	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD			16,675	6,688	(15,424)	38,826	(22,183)	(22,183)	(22,183)	47,633	49,765	73,333
Cash/cash equivalents at the year begin:		2	59,756	71,050	77,654	62,229	62,188	62,188	62,188	40,005	87,638	137,404
Cash/cash equivalents at the year end:		2	76,431	77,738	62,229	101,055	40,005	40,005	40,005	87,638	137,404	210,736

Explanatory notes to Table A7 – Budgeted Cash Flow Statement

1. It can be seen that the cash levels of the municipality increased in 2014/2015 financial year and in 2015/2016 it decreased to R62,229 million.
2. In 2016/2017 it increased to R110 055 but during the mid-year review it decreased again to R40,005 million. The budgeted projections for 2017/2018 shows that cash position will increase to R87,638 million with the further increase to the two outer year where it will be R137,404 in 2018/2019 and R210,736 in 2019/2020.
3. Extensive debt collection and higher debt collection rate will ensure that the budgeted cash and cash equivalent balances for 2017/2018 to 2019/2020 will be achieved.

Table 15 MBRR Table A8 –Cash Back Reserves/Accumulated Surplus Reconciliation

KZN271 Umhlabuyalingana - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description R thousand	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash and investments available											
Cash/cash equivalents at the year end	1	76,431	77,738	62,229	101,055	40,005	40,005	40,005	87,638	137,404	210,736
Other current investments > 90 days		1,210	(100)	(107)	(14,304)	(0)	(0)	(0)	(0)	0	(0)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		77,641	77,638	62,123	86,751	40,005	40,005	40,005	87,638	137,404	210,736
Application of cash and investments											
Unspent conditional transfers		3,034	2,357	–	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	3,138	3,174	16,236	15,219	(60)	(60)	(60)	(5,435)	(6,012)	(5,974)
Other provisions		–	–	–	–	–	–	–	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		6,172	5,531	16,236	15,219	(60)	(60)	(60)	(5,435)	(6,012)	(5,974)
Surplus(shortfall)		71,470	72,107	45,887	71,532	40,065	40,065	40,065	93,073	143,416	216,710

Explanatory notes to Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

1. This table indicates whether the municipal budget is funded or not. Looking at the surplus indicated at the end of each financial year it shows that the budget is funded.
2. The surplus decreased from R71,532 million in 2016/2017 financial year and during the mid-year review the surplus was R40,065 million.
3. In the 2017/2018 financial year it progressively increased to R93,073 million and by 2019/2020 it increased to R216,710 million, that indicates that the municipal budget is funded.

Table 16 MBRR Table A9 – Asset Management

KZN271 Umhlabuyalingana - Table A9 Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	3,797	50,828	77,572	74,381	78,588	78,588	60,590	55,032	34,690
Roads Infrastructure		228	16,009	23,379	9,560	11,840	11,840	7,600	36,032	7,600
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	16,009	23,379	28,050	31,894	31,894	25,000	16,000	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	157	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		228	32,019	46,915	37,610	43,734	43,734	32,600	52,032	7,600
Community Facilities		-	16,009	28,147	25,650	25,284	25,284	23,501	3,000	23,501
Sport and Recreation Facilities		-	-	-	1,000	-	-	3,589	-	3,589
Community Assets		-	16,009	28,147	26,650	25,284	25,284	27,090	3,000	27,090
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		247	539	14	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		247	539	14	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	800	600	600	300	-	-
Furniture and Office Equipment		-	-	-	1,100	300	300	-	-	-
Machinery and Equipment		796	1,705	520	4,620	5,070	5,070	600	-	-
Transport Assets		2,526	556	1,976	3,600	3,600	3,600	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4									
Roads Infrastructure		228	16,009	23,379	9,560	11,840	11,840	7,600	36,032	7,600
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	16,009	23,379	28,050	31,894	31,894	25,000	16,000	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	157	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		228	32,019	46,915	37,610	43,734	43,734	32,600	52,032	7,600
Community Facilities		-	16,009	28,147	25,650	25,284	25,284	23,501	3,000	23,501
Sport and Recreation Facilities		-	-	-	1,000	-	-	3,589	-	3,589
Community Assets		-	16,009	28,147	26,650	25,284	25,284	27,090	3,000	27,090
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		247	539	14	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		247	539	14	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	800	600	600	300	-	-
Furniture and Office Equipment		-	-	-	1,100	300	300	-	-	-
Machinery and Equipment		796	1,705	520	4,620	5,070	5,070	600	-	-
Transport Assets		2,526	556	1,976	3,600	3,600	3,600	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		3,797	50,828	77,572	74,381	78,588	78,588	60,590	55,032	34,690

ASSET REGISTER SUMMARY - PPE (WDV)	5									
Roads Infrastructure		50,521	71,250	105,815	9,560	11,840	11,840	7,600	36,032	7,600
Storm water Infrastructure										
Electrical Infrastructure					31,050	34,894	34,894	25,000	16,000	-
Water Supply Infrastructure					300	150	150			
Sanitation Infrastructure										
Solid Waste Infrastructure										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure		50,521	71,250	105,815	40,910	46,884	46,884	32,600	52,032	7,600
Community Facilities					25,650	25,284	25,284	23,501	3,000	23,501
Sport and Recreation Facilities					1,000	-	-	3,589	-	3,589
Community Assets		-	-	-	26,650	25,284	25,284	27,090	3,000	27,090
Heritage Assets										
Revenue Generating										
Non-revenue Generating										
Investment properties										
Operational Buildings		75,920	80,266	109,719	-	-	-	-	-	-
Housing										
Other Assets		75,920	80,266	109,719	-	-	-	-	-	-
Biological or Cultivated Assets										
Servitudes										
Licences and Rights		84	15	0	120	1,420	1,420	350	-	-
Intangible Assets		84	15	0	120	1,420	1,420	350	-	-
Computer Equipment					800	600	600	300	-	-
Furniture and Office Equipment					1,100	300	300	-	-	-
Machinery and Equipment		3,869	4,582	4,178	1,200	500	500	250	-	-
Transport Assets		3,619	3,438	4,719	3,600	3,600	3,600	-	-	-
Libraries										
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	134,012	159,550	224,431	74,380	78,588	78,588	60,590	55,032	34,690
EXPENDITURE OTHER ITEMS										
Depreciation	7	44,374	55,570	71,760	14,176	18,176	18,176	18,950	21,098	23,279
Repairs and Maintenance by Asset Class	3	59,050	47,656	26,345	23,782	21,386	20,164	4,433	4,695	5,010
Roads Infrastructure		54,512	45,531	22,604	18,000	18,100	18,100	2,500	2,648	2,801
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		54,512	45,531	22,604	18,000	18,100	18,100	2,500	2,648	2,801
Community Facilities		-	-	-	807	500	500	230	244	258
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	807	500	500	230	244	258
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		2,538	824	2,100	3,440	1,725	503	150	159	168
Housing		-	-	-	-	-	-	-	-	-
Other Assets		2,538	824	2,100	3,440	1,725	503	150	159	168
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	9	-	30	-	-	-	-	-
Furniture and Office Equipment		-	-	20	50	5	5	3	3	47
Machinery and Equipment		-	-	-	-	-	-	450	477	504
Transport Assets		2,000	1,292	1,621	1,456	1,056	1,056	1,100	1,165	1,232
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		103,424	103,226	98,105	37,958	39,562	38,339	23,383	25,792	28,289

Explanatory notes to Table A9 – Asset Management

1. This table provides an overview of municipal capital allocation to building new assets as well as spending on repairs and maintenance by asset class.

Table 17 MBRR Table 10 – Basic Service Delivery Measurement

KZN271 Umhlabuyalingana - Table A10 Basic service delivery measurement

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Household service targets	1									
Water:										
Piped water inside dwelling		10,107	10,107	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		9,287	9,287	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		19,394	19,394	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		14,472	14,472	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		14,472	14,472	-	-	-	-	-	-	-
Total number of households	5	33,866	33,866	-	-	-	-	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		7,400	7,400	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		18,933	18,933	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		26,333	26,333	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	26,333	26,333	-	-	-	-	-	-	-
Energy:										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Refuse:										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		-	-	-	-	-	-	-	-	-
Highest level of free service provided per household										
Property rates (R value threshold)		-	-	-	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)		-	1,739	4,268	2,121	4,385	4,385	4,385	4,644	4,913
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	6	-	1,739	4,268	2,121	4,385	4,385	4,385	4,644	4,913

Explanatory notes to Table A10 – Basic Service Delivery Measurement

1. The municipality is provide refuse removal service to government departments properties and to business properties. Currently refuse removal is done to two government properties which is Manguzi Hospital and Mseleni Hospital. On commercial properties it is collected to 52 business properties.
2. The municipality does not provide any rebate or indigent support to the above mentioned categories, the municipality is still negotiating with residents living around the town for the provision of this service to them as a fixed rate.

Part 2 – Supporting documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires that Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging

The responsibility set out in Section 53 of the MFMA.

The Budget Steering Committee consist of the Municipal Manager and Senior Officials of the municipality.

The primary aim of the Budget Steering Committee is to ensure:

- That the process followed to compile the budget complies with legislation and good budget practices;
- That there is proper alignment between the policy and service delivery priorities set out in the municipal IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;
- That the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- That the various spending priorities of the different municipal departments are properly evaluated and prioritized in the allocation of resources.

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table to Council ten months before the start of the new financial year a time schedule that sets out the process to revise the IDP and prepare the municipal budget.

The Mayor tabled to Council the required IDP and Budget time schedule on 31 August 2016.

Key dates applicable to the process were:

- August 2016 – Joint strategic planning session of the Mayoral Committee and Executive Management. The aim to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritization criteria for the compilation of the 2017/2018 MTREF.
- November 2016 – Detail departmental budget proposals (capital and operating) submitted to the Budget office for consolidation and assessment against the financial planning guidelines.
- January 2017 – Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee.

- 25 January 2017 – Council considers the 2016/2017 Mid-year Review and Budget Adjustment
- 28 February 2017 – council adopts the Adjustment Budget
- 31 March 2017 – Tabling in Council the Draft 2017/2018 IDP and 2017/2018 Draft MTREF for public consultation.
- April 2017 – Public consultation
- 31 May 2017 – Tabling in Council the final IDP and MTREF for 2017/2018 for adoption by Council

There were deviations from the key dates set out in the Budget Time Schedule tabled in Council

2.1.2 IDP and Service Delivery and Budget Implementation Plan

This is the 1st IDP of the 4th generation that started in August 2016. The process started in August 2016 when the council adopted the IDP and Budget Process Plan with key dead line dates.

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. The framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to 1st IDP include the following IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process
- Compilation of the SDBIP; and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2017/2018 MTREF, based on the approved 2016/2017 MTREF, Mid-year Review and Adjustment Budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2017/2018 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the Mid-year and third quarter performance against the 2016/2017 departmental Service Delivery and Budget Implementation Plan. Business process links back to priority needs and master planning and essentially informed the detail operations and three- year capital programme.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2017/2018 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2017/2018 MTREF:

- Municipal growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e inflation)
- Performance trends
- The approved 2016/2017 Adjustment budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Investment possibilities
- The need for tariff increases versus the ability of the community to pay for services
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA circular 85 and 86 has been taken into consideration in the planning and prioritization process.

2.1.4 Community Consultation

Community consultation dates were publicized on the local newspapers

Ward committees were utilized to facilitate the community consultation process during October 2016. Consultations took place on the following dates and venues:

- 12 October 2016 at Vukamabaso Tribal Authority in ward 5
- 13 October 2016 at Tembe Tribal Authority in ward 1
- 14 October 2016 at Ndondlweni Community Hall in ward 18, and
- 26 October 2016 at Hlokohloko Community Hall in ward 14

Submissions received during the consultation process and additional information regarding revenue, expenditure and capital projects were addressed and where relevant considered as part of the finalization of the 2017/2018 MTREF.

2.2 Overview of alignment of annual budget with IDP

The constitution mandates the Local Government with the responsibility to exercise local development and cooperative governance. The eradication of imbalance in South African society can only be realized through a credible integrated developmental planning process.

IDP Strategic Objectives

2017/2018 Financial Year	2017/2018 MTREF
1. Provision of basic services and infrastructure	1. Provision of quality basic services and infrastructure
2. Local economic development	3. Economic growth and development that leads to sustainable job creation
4. Fighting of poverty, building clean, health and safe and sustainable communities	4.1 Fighting poverty and building clean, healthy, safe and sustainable communities
	4.2 Integrated Social services for empowered and sustainable communities
5. Financial viability and Financial Management	5.1 Promote sound financial management
	5.2 Ensure financial sustainability

KZN271 Umhlabuyalingana - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
R thousand													
Municipal transformation and institutional development	To create and retain sufficient capacity for effective administration			104,048	93,546	127,009	128,152	128,652	128,652	135,668	141,057	148,354	
Basic service delivery and infrastructure development	Facilitate delivery of basic services and to provide and improve access to public facilities to minimum standards			4,354	4,787	5,875	5,998	5,998	5,998	5,998	6,351	6,720	
Municipal Financial Viability Management	To comply with MFMA, SCM Regulations and other legislations			4,234	6,263	7,958	6,397	4,904	4,904	4,131	4,375	4,613	
Local Economic Development	To create jobs and reduce poverty and facilitate development and growth of SMME			14,523	29,624	17,184	21,434	19,517	19,517	19,517	20,668	21,867	
Good governance and Public participation	To provide effective involvement of the public in municipal affairs			742	742	830	2,202	2,218	2,218	2,115	2,240	2,362	
Allocations to other priorities				2									
Total Revenue (excluding capital transfers and contributions)				1	127,901	134,962	158,856	164,183	161,288	161,288	167,429	174,692	183,916

KZN271 Umhlabuyalingana - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
R thousand													
Municipal transformation and institutional development	To create and retain sufficient capacity for effective administration			30,787	40,838	47,194	57,590	60,715	60,715	68,114	72,020	78,113	
Basic service delivery and infrastructure development	Facilitate delivery of basic services and to provide and improve access to public facilities to enhance standards			61,012	49,573	54,934	29,440	25,944	25,944	8,922	9,439	9,720	
Municipal Financial Vaibility Management	To comply with MFMA, SCM Regulations and other legislations			47,000	79,793	71,764	36,505	44,054	44,054	34,094	37,105	58,919	
Local Economic Development	To create jobs and reduce poverty and facilitate development and growth of SMEs			970	1,278	20	271	71	71	250	264	279	
Good governance and Public participation	To provide effective involvement of the public in municipal affairs			33,909	45,056	83,433	87,744	80,215	80,215	55,940	58,375	61,166	
Allocations to other priorities													
Total Expenditure				1	173,678	216,539	257,345	211,550	210,999	210,999	167,320	177,203	208,197

KZN271 Umhlabuyalingana - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand												
Municipal transformation and institutional development	To create and retain sufficient capacity for effective administration	A										
		B										
Basic service delivery and infrastructure development	Facilitate delivery of basic services and to provide and improve access to public facilities to minimum standards	C		30,750	37,168	72,451	72,331	88,108	88,108	33,200	52,032	7,600
		D										
Municipal Financial Vaibility Management	To comply with MFMA, SCM Regulations and other legislations	E				1,042	1,950	2,320	2,320	300		
		F										
Local Economic Development	To create jobs and reduce poverty and facilitate development and growth of SAMP	G										
		H										
Good governance and Public participation	To provide effective involvement of the public in municipal affairs	I					100			27,090	3,000	27,090
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	30,750	37,168	73,493	74,381	90,428	90,428	60,590	55,032	34,690

2.3 Measurable performance objectives and indicators

The performance of the municipality relates directly to the extent to which it has achieved success in realizing its goals and objectives, complied with legislative requirements and meeting shareholders' expectations. The municipality has therefore adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks)
- Monitoring (regular monitoring and checking on the progress against the plan)
- Measurement (indicators of success)
- Review (identifying areas requiring change and improvement)
- Reporting (what information, to whom, from whom, how often and for what purpose) and
- Improvement (making changes where necessary)

KZN271 Umhlabuyalingana - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Vote 1 - Executive and Council										
Function 1 - Council & Management										
Sub-function 1 - Special Programmes										
Disability Reports	Number of disability									
woman awareness campaigns and forum	Number of awareness									
Sub-function 2 - Internal Audit and										
MPAC meetings	Number of MPAC reports									
Audit Committee meetings	Number of audit									
Sub-function 3 - IDP and Performance										
IDP Forums	Number of IDP Forums									
Annual Reports	Number of Annual									
Function 2 Budget and Treasury										
Sub-function 1 - Revenue and										
Debtors reconciliations	Number of reconciliations									
Revenue collection plan	Number of reports on									
Sub-function 2 - SCM and Assets										
SCM Reports	Number of SCM reports									
FAR update	Number of FAR update									
Sub-function 3 - Budget and										
S71 reports	Number of S71 reports									
Calculation of ratios	Number of Ratios									
Vote 2 - Infrastructure Planning										
Function 1 - Technical										
Sub-function 1 - Technical										
Manaba Electrification Phase 2	Number of households									
Construction of Ekuthukuzeni Masondo	Number of KM completed									
Sub-function 2 -										
Insert measure/s description										
Sub-function 3 - LED										
Community Works Programme	CWP Meetings and									
LED Strategy	Adopted LED Strategy									
Function 2 - Corporate Services										
Sub-function 1 - Human Resources										
WSP and skills audit	number of WSP									
Training and Capacity	Number of reports on									
Sub-function 2 - Information										
ICT Governance Framework	Council approved ICT									
Website management and reporting	% of compliance on S75									
Sub-function 3 - Records Management										
File Plan	number of reports on									
Records Management Policy	Adoption of the Records									
Vote 3 - Community										
Function 1 - Technical										
Sub-function 1 - Other Community										
maintenance of municipal facilities	number of reports on									
Sub-function 2 - Waste										
Waste Management Policy and Reports	Number of waste									
Sub-function 3 - Library										
Audio visuals	Number of audio visuals									
Circulation of books	number of books									
Function 2 - Protection Services										
Sub-function 1 - Traffic Police										
Learner driver license	Numbe of Learner Driver									
Driving licenses	Numbe of Applicants									
Sub-function 2 - Disaster Management										
Disaster Advisory forum	Number of disaster									
Fire Drills	Fire Drills conducted									
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

KZN271 Umhlabyalingana - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Borrowing Management											
Credit Rating		0	0	0	0	0	0	0			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.5%	0.6%	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.3%	2.0%	0.0%	0.8%	0.2%	0.2%	0.2%	0.8%	0.8%	0.8%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	7.1	8.7	3.8	4.4	20.3	20.3	20.3	42.8	61.2	86.1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	7.1	8.7	3.8	4.4	20.3	20.3	20.3	42.8	61.2	86.1
Liquidity Ratio	Monetary Assets/Current Liabilities	6.0	7.8	3.2	3.9	19.2	19.2	19.2	39.4	57.7	82.7
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		65.3%	42.5%	36.5%	65.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		87.8%	42.5%	36.5%	65.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	10.5%	5.0%	5.5%	6.5%	1.4%	1.4%	1.4%	4.6%	4.8%	4.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		11.6%	9.7%	31.0%	21.9%	5.2%	5.2%	5.2%	2.5%	1.7%	1.2%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	19.2%	18.7%	17.6%	28.8%	31.1%	31.1%	31.1%	33.4%	34.3%	35.5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	26.0%	23.4%	23.1%	35.2%	37.8%	37.8%		39.9%	41.8%	42.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	46.2%	27.8%	12.3%	14.5%	13.3%	12.5%		2.6%	2.7%	2.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	35.3%	16.4%	33.6%	8.8%	11.3%	11.3%	11.3%	11.5%	12.2%	12.8%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	5.5	6.0	16.7	8.8	8.8	8.8	8.5	7.8	7.8	8.3
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	91.8%	29.1%	38.7%	45.5%	10.9%	10.9%	10.9%	38.3%	39.6%	38.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	8.6	12.0	6.2	9.3	3.4	3.4	3.4	9.3	13.8	17.2

2.4 Overview of budget related policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

2.4.1 Review of credit control and debt collection policy

The collection policy as approved by Council in May 2016 is currently under review. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review it and there were no changes made to it after the review has been made.

2.4.2 Asset Management Policy

The policy was reviewed and approved by Council in May 2016 but it has been reviewed again this financial year, there were no changes made to the policy after the review

2.4.3 Budget policy

The policy was also reviewed and adopted by council in May 2016. There has been no changes to the policy

2.4.4 Supply Chain Management policy

The policy was reviewed and adopted by Council in May 2016, there were no changes made to the policy.

2.4.5 Budget virement policy

The policy was reviewed and adopted by Council in May 2016. No changes made to the policy.

2.4.6 Cash Management policy

The policy was reviewed and adopted by Council in May 2016. No changes made to the policy

2.4.7 Tariff policy

The policy was reviewed and adopted by Council in May 2016. No changes made to the policy

2.4.8 Property Rates Policy

The policy was reviewed and adopted by Council in May 2016. No changes made to the policy

2.4.9 Petty Cash Policy

The policy was reviewed and adopted by Council in May 2016. No changes made to the policy

2.4.10 Cash and Investment Policy

The policy was reviewed and adopted by Council in May 2016. No changes made to the policy

2.5 Overview of budget assumptions

2.5.1 External factors

- Domestically our economy shrank drastically and a lot of people lost their jobs. It is expected that recovery from this deterioration will slowly uneven and grow.
- Owing to economic slowdown, financial resources are limited due to reduced payment levels by customers.
- It resulted in declining cash flows, which has restrained expenditure to ensure that cash outflows remain within the affordability parameters of the municipality's finances.

2.5.2 General inflation outlook and its impact on the municipal activities

There are 4 key factors that have been taken into consideration in the compilation of the 2017/2018 MTREF

- National Government macro economic targets
- The general inflationary outlook and the impact on Municipality's residents and businesses
- The impact of municipal cost drivers, and
- The increase in the cost of remuneration of employees

2.5.3 Collection rate for revenue services

The base assumption is that tariff and rating will increase at a rate slightly higher than CPI over the long term.

The municipality decided to keep current tariffs unchanged and be the same as the previous financial year.

The rate of revenue collection is currently expressed as a percentage of annual billing, Cash Flow is assumed to be 65 percent of billing, plus an increased collection of arrear debt from the revised collection and credit control policy.

2.5.4 Growth or decline in tax base of the municipality

Debtors revenue is assumed to increase at a rate that is influenced by the consumer debtors collection rate, tariff/rate pricing, real growth rate of the municipality, household formation growth rate and the poor household change rate.

2.5.7 Salary increases

The collective agreement regarding salaries/wages came into operation in July 2015/2016 and shall remain the same until 30 June 2018. Year three is an across the board increase of 6,4 % +1%

2.5.8 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focused service delivery and in this regard various measures were implemented to align IDP's provincial and national strategies around priority spatial interventions. The following national priorities form the basis of all integration initiatives"

- Job creation
- Enhancing education and skills development
- Improving health services
- Rural development and agriculture and
- Fighting crime and corruption

2.5.9 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 97% is achieved on operating expenditure and 98% on the capital programme for 2017/2018 MTREF

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

Tariff setting plays a major role in ensuring desired level of revenue. The municipality derives most of its operational revenue from property rates and operating and capital grants.

The revenue strategy in the municipality is a function of key components such as

- Growth in the municipality and economic development
- Revenue management and enhancement
- Achievement of 95% annual collection rate for consumer revenue
- National Treasury guidelines
- Property Rates Policy in terms of the Municipal Property Rates Act, and
- The ability to extend new services and obtain cost recovery levels

The above principle guide the annual increase in the tariffs charges to the consumers and the ratepayers aligned to the economic forecasts.

Proposed tariff increases over the medium-term

The municipality did not increase the tariffs for services being rendered to its customers after carefully considering the affordability by its customers.

The municipality is charging the following tariffs for different categories of properties

Property rates

- Business property - 0,02
- Government property - 0,02
- Residential property - 0,01
- Rural Communal Land property - 0,002

Refuse collection

- Business property - R200 monthly charges (collection done once a week)
- Hospitals (Government property) - R500 monthly (collection done once a week)
- Shopping centers (Business property) - R500 monthly charge (collection done once a week)

Rental of property

- Market rental - R250 monthly

The table below provides detail investment information and investment particulars by maturity.

Table 18 MBRR SA 15 – Detail Investment information

KZN271 Umhlabuyalingana - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		65,533	69,294	53,786	56,116	34,543	66,376	81,794	57,370	59,364
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	65,533	69,294	53,786	56,116	34,543	66,376	81,794	57,370	59,364
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		65,533	69,294	53,786	56,116	34,543	66,376	81,794	57,370	59,364

Table 19 MBRR SA 16 – Investment particulars by maturity

KZN271 Umhlabuyalingana - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed Interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of Institution & Investment ID	1	Yrs/Months												
Parent municipality														
FNB-62055161146		12 months	Money Market	Yes	Variable Interest Rate		0	0	30 June 2017	998	32	-	-	1,030
FNB - 62217154351		12 months	Money Market	Yes	Variable Interest Rate		0	0	30 June 2017	1,395	51	(0)	-	1,447
FNB - 62268989825		12 months	Money Market	Yes	Variable Interest Rate		0	0	30 June 2017	768	29			817
FNB - 7427255516		12 months	Money Market	Yes	Variable Interest Rate		0	0	30 June 2017	3,945	192			4,038
FNB - 74622621601		12 months	Money Market	Yes	Variable Interest Rate		0	0	30 June 2017	-	1,131		30,000	31,131
FNB - 6242408785		12 months	Money Market	Yes	Variable Interest Rate		0	0	30 June 2017	45,712	759	(30,000)		17,471
STD -686824491		12 months	32 Days notice	Yes	Variable Interest Rate		0	0	30 June 2017	17	1			18
NECBANK - 287102097		12 months	32 Days notice	Yes	Variable Interest Rate		0	0	30 June 2017	30	1			31
Ithala Bank - 1495061		12 months	Fixed Deposit	Yes	Variable Interest Rate		0	0	30 June 2017	-	394		10,000	10,394
Municipality sub-total										53,786		(30,000)	40,000	66,376
Entities														
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									53,786		(30,000)	40,000	66,376

2.6.2 Medium-term outlook: capital revenue

Sources of capital revenue for 2017/2018 financial year is as follows:

- R60,481 million is funded by Transfers recognized – capital, and
- R109 thousand is funded by cash backed reserves

Table 20 MBRR Table SA 18 – Capital transfers and grant receipts

KZN271 Umhlabuyalingana - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		71,474	90,862	124,232	4,102	4,102	4,102	133,011	139,315	146,530
Local Government Equitable Share		68,319	87,707	121,138				126,946	137,415	144,630
Finance Management		1,800	1,800	1,800	1,825	1,825	1,825	1,900	1,900	1,900
EPWP Incentive		1,355	1,355	1,294	2,277	2,277	2,277	4,165	–	–
Other transfers/grants [insert description]										
Provincial Government:		1,572	1,618	1,747	1,592	1,592	1,592	1,657	1,742	1,824
Prov incalisation of Libraries		1,572	1,618	1,747	1,592	1,592	1,592	1,657	1,742	1,824
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	1,000	–	–
Scheme Support Grant		–	–	–	–	–	–	1,000	–	–
Total Operating Transfers and Grants	5	73,046	92,480	125,979	5,694	5,694	5,694	135,668	141,057	148,354
Capital Transfers and Grants										
National Government:		24,559	35,165	48,827	53,325	53,325	53,325	60,481	57,370	59,364
Municipal Infrastructure Grant (MIG)		23,802	32,490	33,827	33,325	33,325	33,325	35,481	37,370	39,364
Integrated National Electrification Grant		757	2,675	15,000	20,000	20,000	20,000	25,000	20,000	20,000
Provincial Government:		–	–	10,000	–	–	–	–	–	–
Massification Grant				10,000	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
Scheme Support Grant										
Total Capital Transfers and Grants	5	24,559	35,165	58,827	53,325	53,325	53,325	60,481	57,370	59,364
TOTAL RECEIPTS OF TRANSFERS & GRANTS		97,605	127,645	184,806	59,019	59,019	59,019	196,149	198,427	207,718

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The specific features include the following:

- Clear separation of receipts and payments with each cash flow category
- Clear separation of capital and operating receipts from government, which also enables cash from ratepayers and other to be provided for as cash flow based on actual performance, and
- Separation of borrowings and loan repayments

Table 21 MBRR Table A7 – Budgeted cash flow statement

KZN271 Umhlabuyalingana - Table A7 Budgeted Cash Flows

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		12,746	12,602	10,908	13,932	19,517	19,517	19,517	19,517	20,668	21,867
Service charges		–	–	181	1,249	202	202	202	202	213	226
Other revenue		4,197	4,974	4,198	4,337	8,285	8,285	8,285	8,182	8,665	9,160
Government - operating	1	73,298	93,546	127,009	128,152	128,652	128,652	128,652	135,668	141,057	148,354
Government - capital	1	30,750	37,168	55,277	53,325	59,875	59,875	59,875	60,481	57,370	59,364
Interest		5,133	4,314	6,959	4,000	4,092	4,092	4,092	3,860	4,088	4,309
Dividends									–	–	–
Payments											
Suppliers and employees		(71,596)	(94,095)	(145,316)	(91,531)	(164,147)	(164,147)	(164,147)	(119,437)	(126,100)	(134,978)
Finance charges		(379)	(844)	(825)	(257)	(71)	(71)	(71)	(250)	(264)	(279)
Transfers and Grants	1								–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		54,149	57,665	58,390	113,206	56,404	56,404	56,404	108,223	105,697	108,023
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		(34,206)	(50,976)	–	–	–			–	–	–
Decrease (Increase) in non-current debtors		(3,268)	–	–	–	–			–	–	–
Decrease (increase) other non-current receivables		–	–	–	–	–			–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–			–	–	–
Payments											
Capital assets				(73,815)	(74,380)	(78,588)	(78,588)	(78,588)	(60,590)	(55,932)	(34,690)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(37,474)	(50,976)	(73,815)	(74,380)	(78,588)	(78,588)	(78,588)	(60,590)	(55,932)	(34,690)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–			–	–	–
Borrowing long term/refinancing		–	–	–	–	–			–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–			–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	16,675	6,688	(15,424)	38,826	(22,183)	(22,183)	(22,183)	47,633	49,765	73,333
Cash/cash equivalents at the year end:	2	59,756	71,050	77,654	62,229	62,188	62,188	62,188	40,005	87,638	137,404
Cash/cash equivalents at the year end:	2	76,431	77,738	62,229	101,055	40,005	40,005	40,005	87,638	137,404	210,736

2.6.4 Cash backed Reserves / Accumulated Surplus Reconciliation

The following table meet the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table will answer three key questions regarding the use and availability of cash.

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?

A surplus indicate the cash-backed accumulated surplus that is available

Table 22 MBRR Table A8 – Cash backed reserves / accumulated surplus reconciliation

KZN271 Umhlabuyalingana - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash and investments available											
Cash/cash equivalents at the year end	1	76,431	77,738	62,229	101,055	40,005	40,005	40,005	87,638	137,404	210,736
Other current investments > 90 days		(5,382)	(100)	(107)	(14,304)	(0)	(0)	(0)	(0)	0	(0)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		71,049	77,638	62,123	86,751	40,005	40,005	40,005	87,638	137,404	210,736
Application of cash and investments											
Unspent conditional transfers		3,034	2,357	–	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	(2,667)	3,386	16,266	15,219	(60)	(60)	(60)	(5,435)	(6,012)	(5,974)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		367	5,743	16,266	15,219	(60)	(60)	(60)	(5,435)	(6,012)	(5,974)
Surplus(shortfall)		70,683	71,895	45,857	71,532	40,065	40,065	40,065	93,073	143,416	216,710

2.5.6 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the below table. All information comes directly from annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA

Table 23 MBRR SA10 – Funding compliance measurement

KZN271 Umhlabuyalingana Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	76,431	77,738	62,229	101,055	40,005	40,005	40,005	87,638	137,404	210,736
Cash + investments at the yr end less applications - R'000	18(1)b	2	70,683	71,895	45,857	71,532	40,065	40,065	40,065	93,073	143,416	216,710
Cash year end/monthly employee/supplier payments	18(1)b	3	8.6	12.0	6.2	9.3	3.4	3.4	3.4	9.3	13.8	17.2
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(45,777)	40,152	(43,446)	5,958	10,165	10,165	10,164	60,590	55,032	34,690
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	98.0%	(3.4%)	(29.1%)	(21.6%)	(6.0%)	(6.0%)	(6.0%)	(0.1%)	(0.2%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	86.2%	48.2%	25.5%	64.9%	98.1%	98.1%	98.1%	100.0%	100.0%	100.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	18.1%	48.0%	0.0%	95.6%	131.2%	131.2%	131.2%	76.8%	76.7%	161.3%
Capital payments % of capital expenditure	18(1)c,(2)	8	0.0%	0.0%	100.4%	100.0%	100.0%	100.0%	100.0%	100.0%	101.6%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								318.3%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(35.2%)	36.9%	(9.4%)	(79.7%)	0.0%	0.0%	251.1%	9.6%	1.5%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	32.2%	21.6%	10.6%	5.1%	6.8%	6.4%	1.4%	1.2%	1.2%	1.2%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

2.7 Expenditure on grants and reconciliations of unspent funds

Table 24 MBRR SA19 – Expenditure on transfers and grant programmes

KZN271 Umhlabuyalingana - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		71,474	90,862	124,232	4,102	4,102	4,102	133,011	139,315	146,530
Local Government Equitable Share		68,319	87,707	121,138				126,946	137,415	144,630
Finance Management		1,800	1,800	1,800	1,825	1,825	1,825	1,900	1,900	1,900
EPWP Incentive		1,355	1,355	1,294	2,277	2,277	2,277	4,165	-	-
Other transfers/grants [insert description]										
Provincial Government:		1,572	1,618	1,747	1,592	1,592	1,592	1,657	1,742	1,824
Provincialisation of Libraries		1,572	1,618	1,747	1,592	1,592	1,592	1,657	1,742	1,824
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: Scheme Support Grant		-	-	-	-	-	-	1,000	-	-
Total operating expenditure of Transfers and Grants		73,046	92,480	125,979	5,694	5,694	5,694	135,668	141,057	148,354
Capital expenditure of Transfers and Grants										
National Government:		24,559	35,165	48,827	53,325	53,325	53,325	60,481	57,370	59,364
Municipal Infrastructure Grant (MIG)		23,802	32,490	33,827	33,325	33,325	33,325	35,481	37,370	39,364
Integrated National Electrification Grant		757	2,675	15,000	20,000	20,000	20,000	25,000	20,000	20,000
Provincial Government:		-	-	6,450	-	-	-	-	-	-
Massification Grant				6,450						
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: Scheme Support Grant		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		24,559	35,165	55,277	53,325	53,325	53,325	60,481	57,370	59,364
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		97,605	127,645	181,256	59,019	59,019	59,019	196,149	198,427	207,718

Table 25 MBRR SA20 – Reconciliation of transfers, grant receipts and unspent

KZN271 Umhlabuyalingana - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year			–	2,357	5,576	5,576	5,576			
Current year receipts		71,726	93,546	133,361	126,560	126,560	126,560	130,354	137,573	144,706
Conditions met - transferred to revenue		71,726	91,189	130,143	132,136	132,136	132,136	130,354	137,573	144,706
Conditions still to be met - transferred to liabilities			2,357	5,576						
Provincial Government:										
Balance unspent at beginning of the year		(123)								
Current year receipts		1,695	1,618	1,747	1,592	2,092	2,092	2,657	1,742	1,824
Conditions met - transferred to revenue		1,572	1,618	1,747	1,592	2,092	2,092	2,657	1,742	1,824
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		73,298	92,807	131,890	133,728	134,228	134,228	133,011	139,315	146,530
Total operating transfers and grants - CTBM	2	–	2,357	5,576	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		24,559	35,165	48,827	53,325	53,325	53,325	60,481	57,370	59,364
Conditions met - transferred to revenue		24,559	35,165	48,827	53,325	53,325	53,325	60,481	57,370	59,364
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year				–	3,550					
Current year receipts		–	–	10,000	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	10,000	3,550	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		24,559	35,165	58,827	56,875	53,325	53,325	60,481	57,370	59,364
Total capital transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		97,857	127,972	190,717	190,603	187,553	187,553	193,492	196,685	205,894
TOTAL TRANSFERS AND GRANTS - CTBM		–	2,357	5,576	–	–	–	–	–	–

2.8 Councillor and employee benefits

Table 26 MBRR SA22 – Summary of councilor and staff benefits

KZN271 Umhlabuyalingana - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		6,029	6,229	5,080	7,037	7,192	7,192	7,697	8,582	9,080
Pension and UIF Contributions					-					
Medical Aid Contributions					-					
Motor Vehicle Allowance		1,748	1,226	1,621	2,346	2,397	2,397	2,566	2,566	2,714
Cellphone Allowance		748	529	50	714	751	751	751	751	795
Housing Allowances					-					
Other benefits and allowances		122	92	122	225	234	234	241	241	255
Sub Total - Councillors		8,647	8,076	6,874	10,322	10,574	10,574	11,255	12,140	12,844
% increase	4		(6.6%)	(14.9%)	50.2%	2.4%	-	6.4%	7.9%	5.8%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2,237	3,206	3,415	3,842	4,610	4,610	4,933	5,278	5,647
Pension and UIF Contributions		119	318	308	149	174	174	141	151	162
Medical Aid Contributions					52	63	63	67	72	77
Overtime					-					
Performance Bonus		115	171	398	368	427	427	457	489	524
Motor Vehicle Allowance	3	455	507	629	629	789	789	789	844	903
Cellphone Allowance	3	95	106	55	131	131	131	131	140	150
Housing Allowances	3				-					
Other benefits and allowances	3	107	161	218	205	760	760	633	1,184	1,279
Payments in lieu of leave		288	-	-	266	331	331	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		3,418	4,468	5,023	5,643	7,285	7,285	7,151	8,158	8,741
% increase	4		30.7%	12.4%	12.3%	29.1%	-	(1.8%)	14.1%	7.1%
Other Municipal Staff										
Basic Salaries and Wages		15,164	20,516	27,686	30,452	29,906	29,906	36,274	39,955	42,412
Pension and UIF Contributions		1,081	1,451	1,937	2,656	3,204	3,204	3,287	3,517	3,837
Medical Aid Contributions		396	669	901	2,122	1,762	1,762	2,202	2,052	2,239
Overtime		411	535	779	365	823	823	675	723	788
Performance Bonus		864	1,214	1,748	2,206	2,062	2,062	2,328	2,491	2,725
Motor Vehicle Allowance	3		467	1,664	1,503	1,440	1,440	1,632	1,746	1,920
Cellphone Allowance	3	47	603	985	445	370	370	426	456	500
Housing Allowances	3				105	97	97	-	-	-
Other benefits and allowances	3	3,316	1,745	1,820	1,732	1,636	1,636	1,465	1,559	1,838
Payments in lieu of leave		-	-	-	12	1,820	1,820	89	95	102
Long service awards		(93)	494	(37)	294	68	68	70	75	81
Post-retirement benefit obligations	6									
Sub Total - Other Municipal Staff		21,187	27,695	37,484	41,892	43,188	43,188	48,448	52,669	56,441
% increase	4		30.7%	35.3%	11.8%	3.1%	-	12.2%	8.7%	7.2%
Total Parent Municipality		33,251	40,239	49,381	57,857	61,047	61,047	66,854	72,967	78,027
TOTAL SALARY, ALLOWANCES & BENEFITS		33,251	40,239	49,381	57,857	61,047	61,047	66,854	72,967	78,027
% increase	4		21.0%	22.7%	17.2%	5.5%	-	9.5%	9.1%	6.9%
TOTAL MANAGERS AND STAFF	5,7	24,604	32,163	42,507	47,535	50,473	50,473	55,599	60,827	65,183

Table 27 MBRR SA24 – Summary of personnel numbers

KZN271 Umhlabuyalingana - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2015/16			Current Year 2016/17			Budget Year 2017/18		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		34			36			36		
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	5	1	4	5	1	4	5	1	4
Other Managers	7	14	10	–	14	14	–	21	18	–
Professionals		–	–	–	–	–	–	–	–	–
Finance										
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other										
Technicians		118	117	–	128	125	–	168	168	–
Finance		15	15		16	16		20	20	
Spatial/town planning		1	1		1	1		1	1	
Information Technology		1			3			4	4	
Roads										
Electricity		16	16		18	18		21	21	
Water										
Sanitation										
Refuse		25	25		25	25		31	31	
Other		60	60		65	65		91	91	
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	171	128	4	183	140	4	230	187	4
% Increase					7.0%	9.4%	–	25.7%	33.6%	–
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

Table 28 SA25 Budget monthly revenue and expenditure

KZN271 Umhlabuyalingana - Supporting Table SA25 Budgeted monthly revenue and expenditure

Budget Year 2017/18													Medium Term Revenue and Expenditure Framework			
Description	Ref	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand																
Revenue By Source																
Property rates		1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	19,517	20,668	21,867
Service charges - electricity revenue														-	-	-
Service charges - water revenue														-	-	-
Service charges - sanitation revenue														-	-	-
Service charges - refuse revenue														-	-	-
Service charges - other		17	17	17	17	17	17	17	17	17	17	17	17	202	213	226
Rental of facilities and equipment		23	23	23	23	23	23	23	23	23	23	23	23	271	287	304
Interest earned - external investments		322	322	322	322	322	322	322	322	322	322	322	322	3,860	4,088	4,309
Interest earned - outstanding debtors														-	-	-
Dividends received														-	-	-
Fines, penalties and forfeits		160	160	160	160	160	160	160	160	160	160	160	160	1,915	2,028	2,146
Licences and permits		340	340	340	340	340	340	340	340	340	340	340	340	4,083	4,323	4,574
Agency services														-	-	-
Transfers and subsidies		45,223				45,223						45,223	(0)	135,668	141,057	148,354
Other revenue		159	159	159	159	159	159	159	159	159	159	159	159	1,913	2,026	2,136
Gains on disposal of PPE														-	-	-
Total Revenue (excluding capital transfers and contributions)		47,869	2,647	2,647	2,647	47,869	2,647	2,647	2,647	2,647	2,647	47,869	2,647	167,429	174,692	183,916
Expenditure By Type																
Employee related costs		4,673	4,673	4,673	4,673	4,673	4,673	4,673	4,673	4,673	4,673	4,673	4,573	55,974	59,880	65,269
Remuneration of councillors		1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	12,140	12,140	12,844
Debt impairment		1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	15,144	16,007	35,640
Depreciation & asset impairment		1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	18,950	21,098	23,279
Finance charges		21	21	21	21	21	21	21	21	21	21	21	21	250	264	279
Bulk purchases														-	-	-
Other materials		161	161	161	161	161	161	161	161	161	161	161	161	1,930	2,044	1,905
Contracted services		583	583	583	583	583	583	583	583	583	583	583	583	6,992	7,396	7,815
Transfers and subsidies														-	-	-
Other expenditure		4,662	4,662	4,662	4,662	4,662	4,662	4,662	4,662	4,662	4,662	4,662	4,662	55,940	58,201	61,559
Loss on disposal of PPE														-	-	-
Total Expenditure		13,952	13,952	13,952	13,952	13,952	13,952	13,952	13,952	13,952	13,952	13,952	13,852	167,320	177,030	208,590
Surplus/(Deficit)		33,918	(11,305)	(11,305)	(11,305)	33,918	(11,305)	(11,305)	(11,305)	(11,305)	(11,305)	33,918	(11,205)	109	(2,338)	(24,674)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		5,040	5,040	5,040	5,040	5,040	5,040	5,040	5,040	5,040	5,040	5,040	5,040	60,481	57,370	59,364
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)														-	-	-
Transfers and subsidies - capital (in-kind - all)														-	-	-
Surplus/(Deficit) after capital transfers & contributions		38,958	(6,265)	(6,265)	(6,265)	38,958	(6,265)	(6,265)	(6,265)	(6,265)	(6,265)	38,958	(6,165)	60,590	55,032	34,690
Taxation														-	-	-
Attributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	38,958	(6,265)	(6,265)	(6,265)	38,958	(6,265)	(6,265)	(6,265)	(6,265)	(6,265)	38,958	(6,165)	60,590	55,032	34,690

Table 29 MBRR SA26 – Budgeted monthly revenue and expenditure (municipal vote)

KZN271 Umhlabuyalingana - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand																
Revenue by Vote																
Vote 1 - Executive Council														-	-	-
Vote 2 - Management														-	-	-
Vote 3 - Budget & Treasury		45,061	2,112	2,112	2,112	45,061	2,112	2,112	2,112	45,061	2,112	2,112	2,254	154,330	166,302	175,059
Vote 4 - Corporate Services		4	4	4	4	4	4	4	4	4	4	4	4	53	56	59
Vote 5 - Community Services		17	17	17	17	17	17	17	17	17	17	17	16	202	213	226
Vote 6 - Traffic Services		500	500	500	500	500	500	500	500	500	500	500	499	5,998	6,351	6,720
Vote 7 - Library Services		554	1	1	1	554	1	1	1	554	1	1	1	1,672	1,758	1,841
Vote 8 - Technical Services		20,494				20,494				20,494			(0)	61,481	57,370	59,364
Vote 9 - Local Economic Development		1,392				1,392				1,392			(0)	4,175	11	11
Vote 10 - [NAME OF VOTE 10]														-	-	-
Vote 11 - [NAME OF VOTE 11]														-	-	-
Vote 12 - [NAME OF VOTE 12]														-	-	-
Vote 13 - [NAME OF VOTE 13]														-	-	-
Vote 14 - [NAME OF VOTE 14]														-	-	-
Vote 15 - [NAME OF VOTE 15]														-	-	-
Total Revenue by Vote		68,021	2,634	2,634	2,634	68,021	2,634	2,634	2,634	68,021	2,634	2,634	2,775	227,910	232,062	243,280
Expenditure by Vote to be appropriated																
Vote 1 - Executive Council		1,201	1,201	1,201	1,201	1,201	1,201	1,201	1,201	1,201	1,201	1,201	1,201	14,410	13,398	14,172
Vote 2 - Management		1,356	1,356	1,356	1,356	1,356	1,356	1,356	1,356	1,356	1,356	1,356	1,357	16,277	17,324	18,524
Vote 3 - Budget & Treasury		4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,024	48,294	52,215	75,156
Vote 4 - Corporate Services		1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	16,523	17,540	18,733
Vote 5 - Community Services		2,122	2,122	2,122	2,122	2,122	2,122	2,122	2,122	2,122	2,122	2,122	2,122	25,459	27,066	28,920
Vote 6 - Traffic Services		1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	12,034	12,855	13,844
Vote 7 - Library Services		100	100	100	100	100	100	100	100	100	100	100	900	1,998	2,133	2,305
Vote 8 - Technical Services		2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,164	2,165	25,972	27,711	29,557
Vote 9 - Local Economic Development		529	529	529	529	529	529	529	529	529	529	529	529	6,351	6,788	7,378
Vote 10 - [NAME OF VOTE 10]														-	-	-
Vote 11 - [NAME OF VOTE 11]														-	-	-
Vote 12 - [NAME OF VOTE 12]														-	-	-
Vote 13 - [NAME OF VOTE 13]														-	-	-
Vote 14 - [NAME OF VOTE 14]														-	-	-
Vote 15 - [NAME OF VOTE 15]														-	-	-
Total Expenditure by Vote		13,876	13,876	13,876	13,876	13,876	13,876	13,876	13,876	13,876	13,876	13,876	14,678	167,320	177,030	208,590
Surplus/(Deficit) before assoc.		54,144	(11,242)	(11,242)	(11,242)	54,144	(11,242)	(11,242)	(11,242)	54,144	(11,242)	(11,242)	(11,903)	60,590	55,032	34,690
Taxation														-	-	-
Attributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	54,144	(11,242)	(11,242)	(11,242)	54,144	(11,242)	(11,242)	(11,242)	54,144	(11,242)	(11,242)	(11,903)	60,590	55,032	34,690

Table 30 MBRR SA27 – Budgeted monthly revenue and expenditure (standard classification)

KZN271 Umhlabyalingana - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Functional																
<i>Governance and administration</i>		45,065	2,116	2,116	2,116	45,065	2,116	2,116	2,116	45,065	2,116	2,116	2,258	154,382	166,358	175,118
Executive and council														-	-	-
Finance and administration		45,065	2,116	2,116	2,116	45,065	2,116	2,116	2,116	45,065	2,116	2,116	2,258	154,382	166,358	175,118
Internal audit														-	-	-
<i>Community and public safety</i>		139	139	139	139	139	139	139	139	139	139	139	139	1,672	1,758	1,841
Community and social services		139	139	139	139	139	139	139	139	139	139	139	139	1,672	1,758	1,841
Sport and recreation														-	-	-
Public safety														-	-	-
Housing														-	-	-
Health														-	-	-
<i>Economic and environmental services</i>		22,385	500	500	500	22,385	500	500	500	22,385	500	500	499	71,654	63,732	66,095
Planning and development		21,885				21,885				21,885			0	65,656	57,381	59,375
Road transport		500	500	500	500	500	500	500	500	500	500	500	499	5,998	6,351	6,720
Environmental protection														-	-	-
<i>Trading services</i>		17	17	17	17	17	17	17	17	17	17	17	16	202	213	226
Energy sources														-	-	-
Water management														-	-	-
Waste water management														-	-	-
Waste management		17	17	17	17	17	17	17	17	17	17	17	16	202	213	226
<i>Other</i>														-	-	-
Total Revenue - Functional		67,606	2,772	2,772	2,772	67,606	2,772	2,772	2,772	67,606	2,772	2,772	2,913	227,910	232,062	243,280
Expenditure - Functional																
<i>Governance and administration</i>		7,959	7,959	7,959	7,959	7,959	7,959	7,959	7,959	7,959	7,959	7,959	7,959	95,504	100,476	126,586
Executive and council		2,557	2,557	2,557	2,557	2,557	2,557	2,557	2,557	2,557	2,557	2,557	2,558	30,687	30,722	32,697
Finance and administration		5,401	5,401	5,401	5,401	5,401	5,401	5,401	5,401	5,401	5,401	5,401	5,401	64,817	69,755	93,889
Internal audit														-	-	-
<i>Community and public safety</i>		2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,263	27,458	29,199	31,225
Community and social services		2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,263	27,458	29,199	31,225
Sport and recreation														-	-	-
Public safety														-	-	-
Housing														-	-	-
Health														-	-	-
<i>Economic and environmental services</i>		3,696	3,696	3,696	3,696	3,696	3,696	3,696	3,696	3,696	3,696	3,696	3,697	44,358	47,354	50,779
Planning and development		2,694	2,694	2,694	2,694	2,694	2,694	2,694	2,694	2,694	2,694	2,694	2,694	32,323	34,499	36,935
Road transport		1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	12,034	12,855	13,844
Environmental protection														-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy sources														-	-	-
Water management														-	-	-
Waste water management														-	-	-
Waste management														-	-	-
<i>Other</i>														-	-	-
Total Expenditure - Functional		13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,919	167,320	177,030	208,590
Surplus/(Deficit) before assoc.		53,661	(11,173)	(11,173)	(11,173)	53,661	(11,173)	(11,173)	(11,173)	53,661	(11,173)	(11,173)	(11,006)	60,590	55,032	34,690
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	53,661	(11,173)	(11,173)	(11,173)	53,661	(11,173)	(11,173)	(11,173)	53,661	(11,173)	(11,173)	(11,006)	60,590	55,032	34,690

Table 31 SA28 – Budgeted monthly capital expenditure (municipal vote)

KZN271 Umhlabyalingana - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Multi-year expenditure to be appropriated	1															
Vote 1 - Executive Council														-	-	-
Vote 2 - Management														-	-	-
Vote 3 - Budget & Treasury														-	-	-
Vote 4 - Corporate Services														-	-	-
Vote 5 - Community Services														-	-	-
Vote 6 - Traffic Services														-	-	-
Vote 7 - Library Services														-	-	-
Vote 8 - Technical Services														-	-	-
Vote 9 - Local Economic Development														-	-	-
Vote 10 - [NAME OF VOTE 10]														-	-	-
Vote 11 - [NAME OF VOTE 11]														-	-	-
Vote 12 - [NAME OF VOTE 12]														-	-	-
Vote 13 - [NAME OF VOTE 13]														-	-	-
Vote 14 - [NAME OF VOTE 14]														-	-	-
Vote 15 - [NAME OF VOTE 15]														-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Executive Council														-	-	-
Vote 2 - Management														-	-	-
Vote 3 - Budget & Treasury														-	-	-
Vote 4 - Corporate Services		25	25	25	25	25	25	25	25	25	25	25	25	300	-	-
Vote 5 - Community Services		2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,257	27,090	3,000	27,090
Vote 6 - Traffic Services		50	50	50	50	50	50	50	50	50	50	50	50	600	-	-
Vote 7 - Library Services														-	-	-
Vote 8 - Technical Services		2,717	2,717	2,717	2,717	2,717	2,717	2,717	2,717	2,717	2,717	2,717	2,717	32,600	52,032	7,600
Vote 9 - Local Economic Development														-	-	-
Vote 10 - [NAME OF VOTE 10]														-	-	-
Vote 11 - [NAME OF VOTE 11]														-	-	-
Vote 12 - [NAME OF VOTE 12]														-	-	-
Vote 13 - [NAME OF VOTE 13]														-	-	-
Vote 14 - [NAME OF VOTE 14]														-	-	-
Vote 15 - [NAME OF VOTE 15]														-	-	-
Capital single-year expenditure sub-total	2	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	60,590	55,032	34,690
Total Capital Expenditure	2	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	60,590	55,032	34,690

Table 32 SA29 – Budgeted monthly capital expenditure (standard classification)

KZN271 Umhlabyalingana - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital Expenditure - Functional	1															
<i>Governance and administration</i>		25	25	25	25	25	25	25	25	25	25	25	25	300	-	-
Executive and council														-	-	-
Finance and administration		25	25	25	25	25	25	25	25	25	25	25	25	300	-	-
Internal audit														-	-	-
<i>Community and public safety</i>		2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,257	27,090	3,000	27,090
Community and social services		1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	23,501	3,000	23,501
Sport and recreation		299	299	299	299	299	299	299	299	299	299	299	299	3,589	-	3,589
Public safety														-	-	-
Housing														-	-	-
Health														-	-	-
<i>Economic and environmental services</i>		683	683	683	683	683	683	683	683	683	683	683	683	8,200	36,032	7,600
Planning and development														-	-	-
Road transport		683	683	683	683	683	683	683	683	683	683	683	683	8,200	36,032	7,600
Environmental protection														-	-	-
<i>Trading services</i>		2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000	16,000	-
Energy sources		2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000	16,000	-
Water management														-	-	-
Waste water management														-	-	-
Waste management														-	-	-
<i>Other</i>														-	-	-
Total Capital Expenditure - Functional	2	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	60,590	55,032	34,690
Funded by:																
National Government		503	503	503	503	503	503	503	503	503	503	503	54,943	60,481	57,370	59,364
Provincial Government														-	-	-
District Municipality														-	-	-
Other transfers and grants														-	-	-
Transfers recognised - capital		503	503	503	503	503	503	503	503	503	503	503	54,943	60,481	57,370	59,364
Public contributions & donations														-	-	-
Borrowing														-	-	-
Internally generated funds													109	109	-	-
Total Capital Funding		503	503	503	503	503	503	503	503	503	503	503	55,052	60,590	57,370	59,364

Table 33 SA30 – Budgeted monthly cash flow

KZN271 Umhlabyalingana - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS													Medium Term Revenue and Expenditure Framework			
Budget Year 2017/18													Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June				
Cash Receipts By Source													1			
Property rates	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	1,626	19,517	20,668	21,867	
Service charges - electricity revenue													-			
Service charges - water revenue													-			
Service charges - sanitation revenue													-			
Service charges - refuse revenue	17	17	17	17	17	17	17	17	17	17	17	17	202	213	226	
Service charges - other													-			
Rental of facilities and equipment	23	23	23	23	23	23	23	23	23	23	23	23	271	287	304	
Interest earned - external investments	322	322	322	322	322	322	322	322	322	322	322	322	3,860	4,088	4,309	
Interest earned - outstanding debtors													-			
Dividends received													-			
Fines, penalties and forfeits	160	160	160	160	160	160	160	160	160	160	160	160	1,915	2,028	2,146	
Licences and permits	340	340	340	340	340	340	340	340	340	340	340	340	4,083	4,323	4,574	
Agency services													-			
Transfer receipts - operational	46,380				46,050				43,238				0	135,668	141,057	148,354
Other revenue	159	159	159	159	159	159	159	159	159	159	159	159	1,913	2,026	2,136	
Cash Receipts by Source	49,027	2,647	2,647	2,647	48,697	2,647	2,647	2,647	45,885	2,647	2,647	2,647	167,429	174,692	183,916	
Other Cash Flows by Source																
Transfer receipts - capital	16,827	5,000	5,000	5,000	16,827				11,827				60,481	57,370	59,364	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)													-			
Proceeds on disposal of PPE													-			
Short term loans													-			
Borrowing long term/refinancing													-			
Increase (decrease) in consumer deposits													-			
Decrease (Increase) in non-current debtors													-			
Decrease (increase) other non-current receivables													-			
Decrease (increase) in non-current investments													-			
Total Cash Receipts by Source	65,854	7,647	7,647	7,647	65,524	2,647	2,647	2,647	57,712	2,647	2,647	2,647	227,910	232,062	243,280	
Cash Payments by Type																
Employee related costs	4,673	4,673	4,673	4,673	4,673	4,673	4,673	4,673	4,673	4,673	4,673	4,673	56,073	59,999	65,399	
Remuneration of councillors	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	12,140	12,140	12,844	
Finance charges	21	21	21	21	21	21	21	21	21	21	21	21	250	264	279	
Bulk purchases - Electricity													-			
Bulk purchases - Water & Sewer													-			
Other materials	161	161	161	161	161	161	161	161	161	161	161	161	1,930	2,044	1,905	
Contracted services	508	508	508	508	508	508	508	508	508	508	508	508	6,092	7,396	7,815	
Transfers and grants - other municipalities													-			
Transfers and grants - other													-			
Other expenditure	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	43,201	44,522	47,016	
Cash Payments by Type	9,974	9,974	9,974	9,974	9,974	9,974	9,974	9,974	9,974	9,974	9,974	9,974	119,687	126,364	135,257	
Other Cash Flows/Payments by Type																
Capital assets	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	5,049	60,590	55,932	34,690	
Repayment of borrowing													-			
Other Cash Flows/Payments													-			
Total Cash Payments by Type	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	180,276	182,296	169,947	
NET INCREASE/(DECREASE) IN CASH HELD	50,831	(7,376)	(7,376)	(7,376)	50,501	(12,376)	(12,376)	(12,376)	42,689	(12,376)	(12,376)	(12,376)	47,633	49,765	73,333	
Cash/cash equivalents at the month/year begin:	40,005	90,836	83,460	76,083	68,707	119,208	106,831	94,455	82,079	124,767	112,391	100,015	40,005	87,638	137,404	
Cash/cash equivalents at the month/year end:	90,836	83,460	76,083	68,707	119,208	106,831	94,455	82,079	124,767	112,391	100,015	87,638	87,638	137,404	210,736	

2.9 Contract having future budgetary implications

In terms of the municipal Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework. Currently there are no contracts that are having future budgetary implication which are beyond the medium-term framework.

2.10 Capital expenditure details

The following two tables presents detail of the municipality's capital expenditure programme, firstly for new assets and lastly on the repair and maintenance of assets since we do not have renewal of assets.

Table 34 SA34a – Capital expenditure on new assets by asset class

KZN271 Umhlabuyalingana - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		228	32,019	46,915	37,610	43,734	43,734	32,600	52,032	7,600
Roads Infrastructure		228	16,009	23,379	9,560	11,840	11,840	7,600	36,032	7,600
Roads		228	16,009	23,379	9,560	11,840	11,840	7,600	36,032	7,600
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	16,009	23,379	28,050	31,894	31,894	25,000	16,000	-
Power Plants			16,009	23,379	28,050	31,894	31,894	25,000	16,000	-
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station										
Reticulation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	157	-	-	-	-	-	-
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities				157						
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										

<u>Computer Equipment</u>		-	-	-	800	600	600	300	-	-
Computer Equipment		-	-	-	800	600	600	300	-	-
<u>Furniture and Office Equipment</u>		-	-	-	1,100	300	300	-	-	-
Furniture and Office Equipment		-	-	-	1,100	300	300	-	-	-
<u>Machinery and Equipment</u>		796	1,705	520	4,620	5,070	5,070	600	-	-
Machinery and Equipment		796	1,705	520	4,620	5,070	5,070	600	-	-
<u>Transport Assets</u>		2,526	556	1,976	3,600	3,600	3,600	-	-	-
Transport Assets		2,526	556	1,976	3,600	3,600	3,600	-	-	-
<u>Libraries</u>		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	3,797	50,828	77,572	74,381	78,588	78,588	60,590	55,032	34,690

Table 35 MBRR SA34C – Repairs and maintenance expenditure by asset class

KZN271 Umhlabuyalingana - Supporting Table SA34c Repairs and maintenance expenditure by asset class

REN271 Oninabayalingana - Supporting Table 3A34c Repairs and maintenance expenditure by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		54,512	45,531	22,604	18,000	18,100	18,100	2,500	2,648	2,801
Roads Infrastructure		54,512	45,531	22,604	18,000	18,100	18,100	2,500	2,648	2,801
Roads		54,512	45,531	22,604	18,000	18,100	18,100	2,500	2,648	2,801
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Community Assets										
Community Facilities		-	-	-	807	500	500	230	244	258
Halls		-	-	-	807	500	500	230	244	258
Centres					700	500	500	230	244	258
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries					107	-	-			
Cemeteries/Crematoria										
Police										
Purfs										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Other assets										
Operational Buildings		2,538	824	2,100	3,440	1,725	503	150	159	168
Municipal Offices		2,538	824	2,100	3,440	1,725	503	150	159	168
Pay/Enquiry Points		2,538	824	2,100	3,440	1,725	503	150	159	168
Building Plan Offices										

<u>Computer Equipment</u>		-	9	-	30	-	-	-	-	-
Computer Equipment		-	9	-	30	-	-	-	-	-
<u>Furniture and Office Equipment</u>		-	-	20	50	5	5	3	3	47
Furniture and Office Equipment		-	-	20	50	5	5	3	3	47
<u>Machinery and Equipment</u>		-	-	-	-	-	-	450	477	504
Machinery and Equipment		-	-	-	-	-	-	450	477	504
<u>Transport Assets</u>		2,000	1,292	1,621	1,456	1,056	1,056	1,100	1,165	1,232
Transport Assets		2,000	1,292	1,621	1,456	1,056	1,056	1,100	1,165	1,232
<u>Libraries</u>		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	59,050	47,656	26,345	23,782	21,386	20,164	4,433	4,695	5,010

Table 36 MBRR SA35 – Future financial implications of the capital budget

KZN271 Umhlabuyalingana - Supporting Table SA35 Future financial implications of the capital budget

Vote Description R thousand	Ref	2017/18 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Present value
Capital expenditure	1							
Vote 1 - Executive Council		-	-	-				
Vote 2 - Management		-	-	-				
Vote 3 - Budget & Treasury		-	-	-				
Vote 4 - Corporate Services		300	-	-				
Vote 5 - Community Services		27,090	3,000	27,090	37 090 000	40 200 000	42 000 000	
Vote 6 - Traffic Services		600	-	-				
Vote 7 - Library Services		-	-	-				
Vote 8 - Technical Services		32,600	52,032	7,600	33 000 000	35 000 000	37 000 000	
Vote 9 - Local Economic Development		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		60,590	55,032	34,690	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Executive Council								
Vote 2 - Management								
Vote 3 - Budget & Treasury								
Vote 4 - Corporate Services								
Vote 5 - Community Services								
Vote 6 - Traffic Services								
Vote 7 - Library Services								
Vote 8 - Technical Services								
Vote 9 - Local Economic Development								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		60,590	55,032	34,690	-	-	-	-

2.11 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved.
2. Internship programme
The municipality is participating in the Municipal Financial Management internship programme and has employed 5 interns undergoing training on various divisions of the Financial Services Department. In the last financial year 2015/2016 one intern was employed permanently and another intern was employed permanently in the current financial year in October 2016. Two additional interns have been appointed with effect from August 2016.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established as is fully functional
5. Service Delivery and Implementation Plan
The detail SDBIP document is at a draft stage a final plan will be finalized after the approval of the 2017/2018 MTERF in May 2017.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements
7. Policies
Budget related policies are being reviewed currently and will be finalized and approved by council in May 2017.

2.12 Other supporting documents

Table 37 MBRR Table SA1 - Supporting detail to budgeted financial performance

KZN271 Umhlabuyalingana - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		14,523	31,283	34,452	23,555	23,902	23,902	23,902	23,902	25,312	26,780
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)			1,739	4,268	2,121	4,385	4,385	4,385	4,385	4,644	4,913
Net Property Rates		14,523	29,544	30,184	21,434	19,517	19,517	19,517	19,517	20,668	21,867
Service charges - refuse revenue	6										
Total refuse removal revenue		–	80	202	1,922	202	202	202	202	213	226
Total landfill revenue											
less Revenue Foregone (in excess of one removal a week to indigent households)											
less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–	–	–	–	–
Net Service charges - refuse revenue		–	80	202	1,922	202	202	202	202	213	226
Other Revenue by source											
Fuel Levy											
Other Revenue		555	742	628	–	–					
Tender Monies		158	–	–	159	90	90	90	90	95	101
Library Income		26	–	–	42	15	15	15	15	16	17
Business Licensing		2	–	–	79	9	9	9	10	11	11
Rates Clearance						0	0	0	0	0	0
LG SETA Refunds						53	53	53	53	56	59
Interest on Current Accounts						1,850	1,850	1,850	1,745	1,848	1,948
Total 'Other' Revenue	3	742	742	628	280	2,016	2,016	2,016	1,913	2,026	2,136
	1										
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	17,401	23,721	27,686	34,293	36,345	36,345	36,345	41,207	44,091	48,059
Pension and UIF Contributions		1,081	1,451	1,937	2,805	2,985	2,985	2,985	3,277	3,506	3,822
Medical Aid Contributions		396	669	901	2,175	2,101	2,101	2,101	1,985	2,124	2,316
Overtime		411	535	779	365	275	275	275	675	723	788
Performance Bonus		979	1,385	1,748	2,574	2,722	2,722	2,722	2,786	2,981	3,249
Motor Vehicle Allowance		–	974	1,615	2,132	2,143	2,143	2,143	2,421	2,590	2,823
Cellphone Allowance		142	709	439	576	562	562	562	566	596	649
Housing Allowances		–	–	–	105	97	97	97	–	–	–
Other benefits and allowances		4,287	2,224	1,908	1,937	2,839	2,839	2,839	2,987	3,194	3,482
Payments in lieu of leave				716	12	12	12	12			
Long service awards		(93)	494	(37)	294	59	59	59	70	75	81
Post-retirement benefit obligations	4										
sub-total	5	24,605	32,163	37,692	47,269	50,140	50,140	50,140	55,974	59,880	65,269
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	24,605	32,163	37,692	47,269	50,140	50,140	50,140	55,974	59,880	65,269
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		44,374	27,222	71,760	14,175	18,176	18,176	18,176	18,950	21,098	23,279
Lease amortisation											
Capital asset impairment		–	–	–							
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	44,374	27,222	71,760	14,175	18,176	18,176	18,176	18,950	21,098	23,279

[illegible]

Table 38 MBRR SA3 – Supporting detail to statement of Financial Position

KZN271 Umhlabuyalingana - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
ASSETS											
Call investment deposits	2		34								
Other current investments		65,533	69,294	53,786	56,116	34,543	34,543	34,543	81,794	57,370	59,364
Total Call investment deposits		65,533	69,327	53,786	56,116	34,543	34,543	34,543	81,794	57,370	59,364
Consumer debtors											
Consumer debtors	2	15,918	29,142	7,039	10,734	37,208	37,208	37,208	22,418	23,988	43,720
Less: Provision for debt impairment		(4,430)	(23,051)			(35,027)	(35,027)	(35,027)	(15,144)	(16,007)	(35,640)
Total Consumer debtors		11,488	6,091	7,039	10,734	2,182	2,182	2,182	7,274	7,980	8,080
Debt impairment provision											
Balance at the beginning of the year											
Contributions to the provision											
Bad debts written off											
Balance at end of year		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)	3	183,524	221,089	248,542	469,396	331,246	331,246	331,246	373,660	399,816	427,803
Leases recognised as PPE						18,176	18,176	18,176	18,950	21,098	23,279
Less: Accumulated depreciation											
Total Property, plant and equipment (PPE)	2	183,524	221,089	248,542	469,396	313,070	313,070	313,070	354,710	378,719	404,524
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities											
Total Current liabilities - Borrowing		-	-	-	-	-	-	-	-	-	-
Trade and other payables											
Trade and other creditors	2	8,854	7,561	19,289	22,182	2,080	2,080	2,080	2,225	2,381	2,548
Unspent conditional transfers		3,034	2,357								
VAT											
Total Trade and other payables	11,888	9,918	19,289	22,182	2,080	2,080	2,080	2,225	2,381	2,548	
Non current liabilities - Borrowing											
Borrowing	4										
Finance leases (including PPP asset element)											
Total Non current liabilities - Borrowing		-	-	-	-	-	-	-	-	-	-
Provisions - non-current											
Retirement benefits											
List other major provision items											
Refuse landfill site rehabilitation						1,000	1,000	1,000	11,139	11,919	12,610
Other		9,548	10,757	11,421	49,370	1,726	1,726	1,726	6,242	6,654	6,839
Total Provisions - non-current		9,548	10,757	11,421	49,370	2,726	2,726	2,726	17,381	18,573	19,449
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance						-	-	-			
GRAP adjustments											
Restated balance		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)		(45,777)	40,152	(43,446)	5,958	10,165	10,165	10,164	60,590	55,032	34,690
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	(45,777)	40,152	(43,446)	5,958	10,165	10,165	10,164	60,590	55,032	34,690
Reserves											
Housing Development Fund	2										
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(45,777)	40,152	(43,446)	5,958	10,165	10,165	10,164	60,590	55,032	34,690
Total capital expenditure includes expenditure on nationally significant priorities:											
Provision of basic services											

2.13 Municipal manager's quality certificate

I _____, municipal manager of Umhlabuyalingana Municipality, hereby certify that the Municipal Finance Management Act and the regulation made under the Act, and that the draft annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name _____

Municipal manager of Umhlabuyalingana Municipality (KZN 271)

Signature _____

Date _____